

AUGUST 15, 1937



TWENTY CENTS

Sales Management

- ★ **Graham-Paige Turns Neglected Accessory Market into \$1,300,000 Sales Volume**
- ★ **How Drug Wholesalers in Six Markets Feel About the Private Brand Situation**
- ★ **Would the FTC's "Purge" for Advertising Cure the Patient — or Kill It?**
- ★ **Kelvinator Distills Experience of Veteran Salesmen in New Sales Film Series**
- ★ **Scratch-Pad — Significant Trends — Advertising Campaigns — Sales Letters**

THE MAGAZINE OF MODERN MARKETING



THIS IS A BUSY EAR...

- It is not like most ears, waiting to be talked into.

It is an executive ear—too busy, as a rule, to listen to salesmen.

And that makes selling hard. Because the executives with least time to spare are usually most important in a sale. They are the men who make or break a salesman's chances.

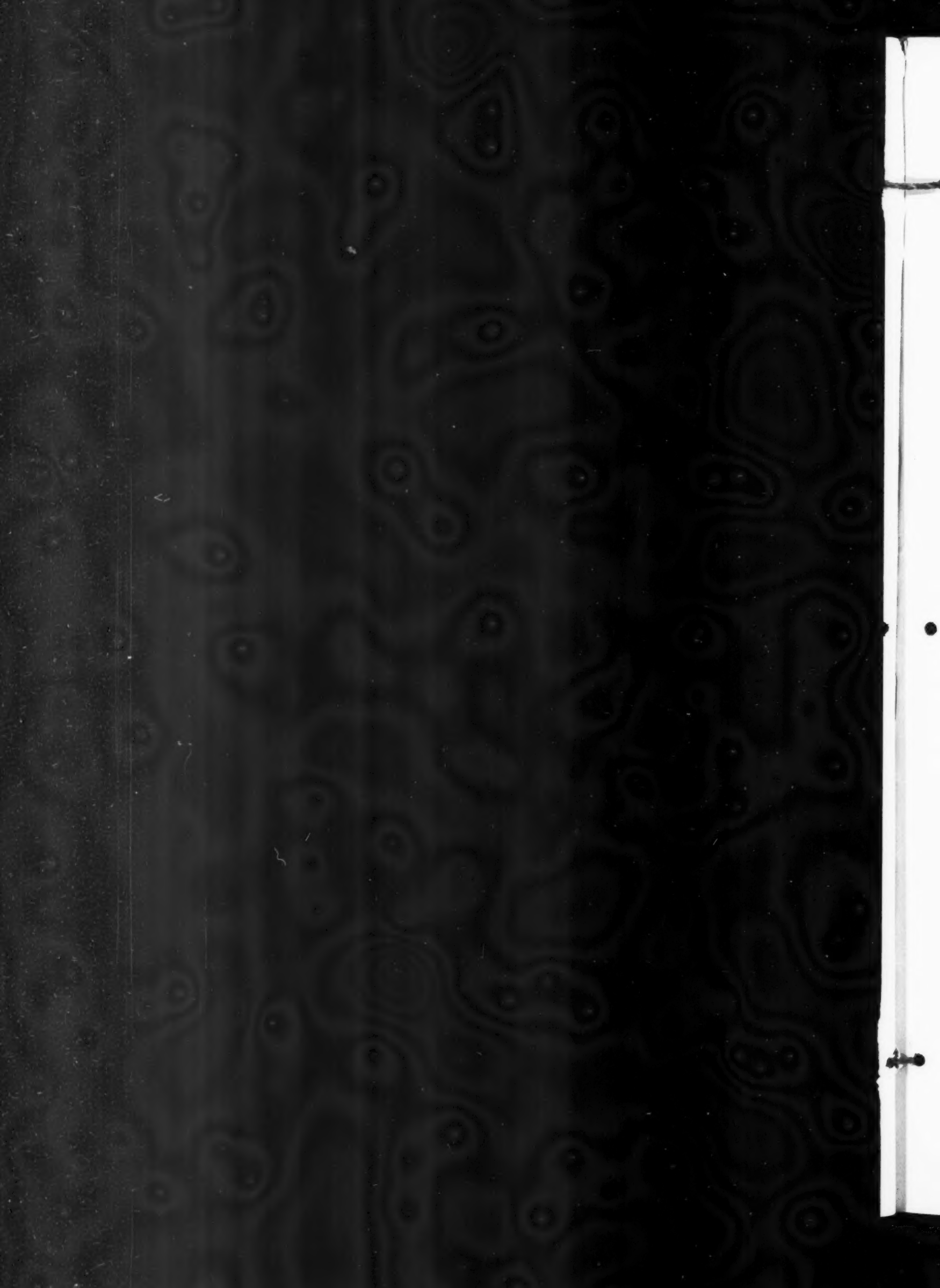
Knowing this, 400 businesses are now advertising in FORTUNE. They choose FORTUNE because FORTUNE is the magazine business men read at home, at leisure. And because business men look to FORTUNE as their year 'round authority on business.

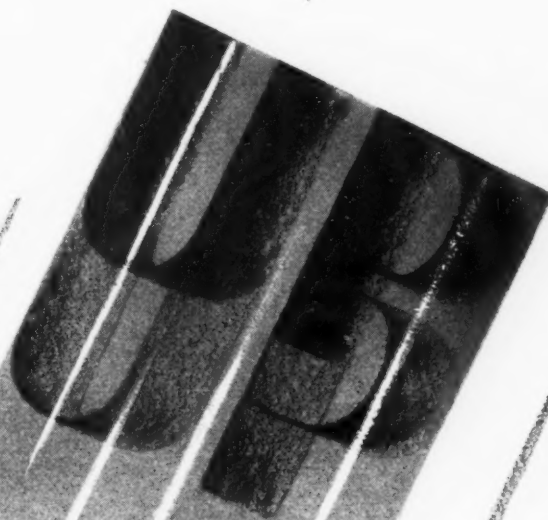
Your campaign in FORTUNE can accomplish the same bright ends you look for in personal interviews. Because FORTUNE can sell your product 12 times a year to 130,000 customers who read the advertising as well as the editorial pages.

FORTUNE

135 EAST 42nd ST., NEW YORK







UP goes **THIS WEEK**'s list of member newspapers—to 24. ★ **UP** its circulation, to more than 5,200,000 families. ★ **UP** its coverage, to 24 key markets, Coast to Coast. ★ **AND UP** its first-six-months advertising lineage, to an 83.8% gain over 1936. ★★★ **THIS WEEK** is definitely going places—and so are the shrewd advertisers who've contracted to

BUY THIS WEEK AND GET—

MAGAZINE POWER *BOTH* NEWSPAPER SALES PUNCH

THE HUMAN SIDE



Playing a Cinch

Standard Oil Co. of Indiana has a list of 126,000 "cinch customers"—persons who in all probability consistently use its products—yet it steadily advertises to them, reminds them, urges them to keep up the good work. These customers are its 94,000 stockholders and its 32,000 employees.

Dividends are mailed to the stockholders four times a year. Not once in eight years has a dividend check been sent without some sort of enclosure suggesting the purchase of company products. Usually they are more or less disguised; careful effort is made at attaining reader interest.

"Towns the Rails Forgot," is one title. This is a little story of the 45,000 off-the-railroad villages, telling how gasoline has helped them to gain a place in modern life. "Health Rides the Highways," is another. It pictures how health and happiness have been given humanity by gasoline.

One folder told the stockholders that they use about \$10,000,000 worth of company products each year and suggested that if each stockholder would win one new customer for the company it would mean another \$10,000,000 in annual sales.

Standard of Indiana and its subsidiaries, Utah Oil Refining Co., Pen-American Petroleum Corp. and American Oil Co., together with Standard Oil of Nebraska, which markets its products, now cover 39 of the 48 States. A folder, recently issued, carried a map of these States as a guide to stockholders.

Each of the 32,000 employees receives a house organ every month. This, the *Stanolind Record*, doesn't miss a trick in persuading employees to be faithful and always buy company products. It also suggests, repeatedly, that they "sell" Standard to their friends by word of mouth.

They are told that they can "sell" Standard when writing to friends, when calling on friends, at social gatherings, on the way home from work, and even on the golf courses. The idea is to keep this army of people whose interests are so closely interwoven with the success of the company forever on the sales job.

Very often the printed messages enclosed with the dividends are signed personally by Edward G. Seubert, president. He is of the opinion that any company which has a large number of stockholders and employees can profit by instituting a similar "reminder" program.

Oscar Is Cashed-in

Oscar, the big pickerel which the Chicago *American* tagged and released in an Illinois lake as a promotional stunt—recounted here July 1—has been captured. Fisherman John D. Mueller, Chicago investigator for the Illinois Bell Telephone, was the lucky man.

Lucky is the right word, too, for Oscar's tag, originally worth \$500 from the paper, had been boosted to a \$1,330 value by rewards from merchants. As a result of all the hurly-burly about

Oscar's release in Fox Lake, that village's real estate boomed in typical Florida fashion. Thousands of fishermen swarmed there in pursuit of the wealth-bestowing pickerel, and many decided to buy lots. Even though fabulous fish are not everyday occurrences in Fox Lake, there are plenty of others just as much fun to hook.

Naturally, the *American* didn't set out to boost reality, it merely wanted to promote circulation and interest in its sports department. But the outcome was, of course, quite satisfactory. In fact, everybody is pleased with the possible exception of Oscar.

Life in Tin Lizzie Still

In 1913 F. J. Cessna, of Cadiz, Ohio, bought six spandy-new Ford cars. One of them was a town sedan that was considered tops in class for funerals, weddings, and state functions. This first closed car ever seen in Cadiz traveled only a few thousand miles right in town, never getting out on the mud roads. When Mr. Cessna died it was stored under canvas in a barn for 20 years.

A few weeks ago W. M. Cessna, son of the buyer, took off the shroud and found that Lizzie was as chipper as ever, except for her "shoes." Luther Jones, Cadiz tire dealer, got her a set of old style 30 by 3½ clincher General Cord tires, and Liz rolled along at 45 miles an hour, sweet as you please.

Messrs. Cessna and Jones bowled along to the Great Lakes Exposition, at Cleveland, averaging better than 25 miles an hour, and causing more modern vehicles to shy and whicker in astonishment. On the way they stopped at General Tire's plant in Akron. They were welcomed by General's chief, C. F. O'Neil, who took not only an antiquarian's interest in Lizzie, but also a technician's view of her tires. Inflated to 45 pounds pressure, their small, non-nonskid surface didn't provide the acme of comfort. When Lizzie was a debutante, however, her tires were the best to be found.

Umm-h A-h-h!

One of the most popular French perfumes on the market has as its base such items as coal tar, roots, resin, moss, oil of lemon-grass, molasses, and oil obtained by steam distillation from wood.

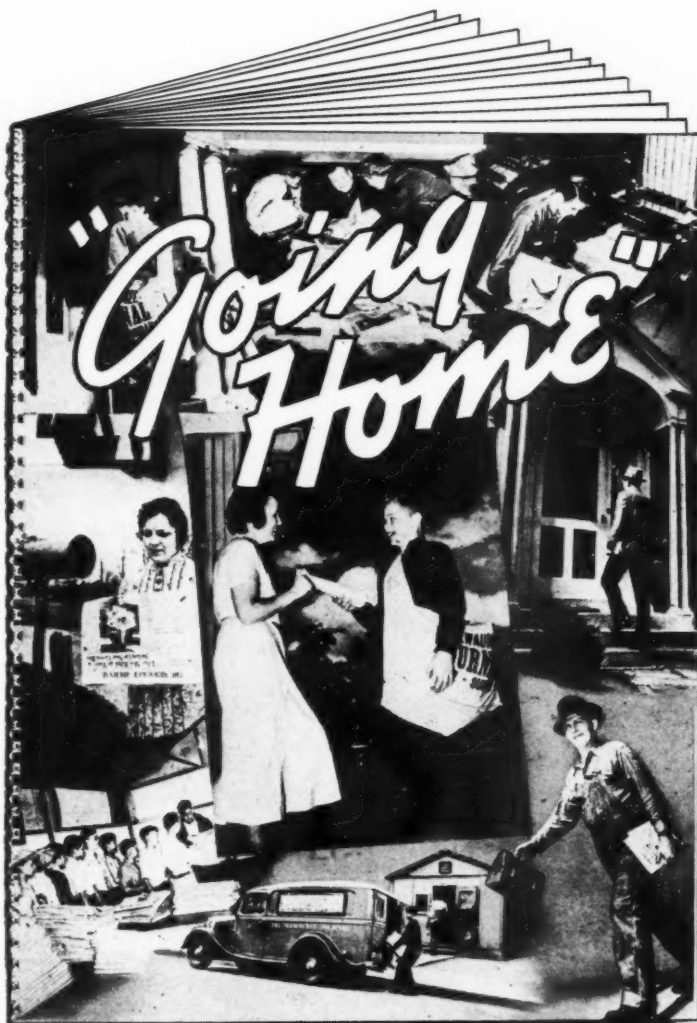
To make a single odor, combinations—dozens of them—are necessary. The perfumer chooses and blends from the four-odor types: Sweet, acid, burnt, and what is known as the "goat odor" to obtain an aroma that milady can dab behind her ears and go forth to conquest. Some of the most valuable substances for perfumes, as for example civet, are extremely evil smelling. Lately these materials have been especially important because most best-selling perfumes contain a large proportion of the unpleasant odors. The principal odor, needless to say, is pleasing. In addition, it is subtle. If too strong it would paralyze the sense of smell—just as a loud noise deafens and a flash of light blinds momentarily.

SM's editors found out these and slathers of other fascinating facts from reading "Synthetics Bring New Era in Perfumes," a pamphlet put out by du Pont de Nemours & Co. It describes, in language that a layman can understand, some of the hundreds of uses for synthetics in the art of smelling swell.

Only a short time ago, for instance, it took nearly 25 tons of violets to make a single ounce of the natural oil. Today the violet odor is produced synthetically. A ton of roses was required to obtain ten ounces of the natural oil. Now chemists wave a magic wand—test tubes—and presto!

Musk, the most important single material used in perfume, is a "fixative." It blends into one fragrance the many odors and makes that predominant note permanent. Tibetan musk deer were in danger of being exterminated until synthetic musk was developed. Natural musk has all sorts of impurities that cut down its usefulness to the perfumer, but even so it has been priced as high as \$560 a pound. If it could be had in a completely pure state it would be worth \$40,000 a pound. The synthetic variety is far less expensive, purer, and with just as much sweetness—an odor said to be the most alluring in the world to human beings.

SALES MANAGEMENT, published semi-monthly, on the first and fifteenth, except in April and October, when it is published three times a month and dated the first, tenth and twentieth; copyright August 15, 1937, by Sales Management, Inc., 420 Lexington Avenue, New York, N. Y. Subscription price \$4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office, N. Y., under the act of March 3, 1879. August 15, 1937, Volume XLI, No. 4.



The Story

in detail, of Milwaukee
newspaper circulations
— home readership —

coverage of purchasing power by income groups—

duplication—



circulation trend since 1920

—distribution

by circulation zones—cov-

erage of Wisconsin

retail centers —



distribution of The Milwaukee Journal,

daily and

Sunday, by counties, cities and

towns. A



copy is yours for the asking.

THE MILWAUKEE JOURNAL

FIRST BY MERIT

National Representatives . . . O'Mara & Ormsbee, Inc.

New York

Chicago

Detroit

Boston

Atlanta

Los Angeles

San Francisco

AUGUST 15, 1937

[3]



1ST IN NEW ENGLAND

in number of national spot programs

During the first quarter of 1937, Station WEEI carried 2,861 spot programs sponsored by national advertisers—as a study of spot radio on page 52 of this issue shows.

That puts WEEI at the top of the heap in Boston and New England, and in fourth place nationally.

The only three stations, incidentally, ahead of WEEI in national ranking (1. KMOX, St. Louis; 2. WBBM, Chicago; 3. WCCO, Minneapolis-St. Paul) are, like WEEI, operated by the Columbia Broadcasting System.

If your promotion plans call for the use of radio in Boston (and maybe they should!), a good investment is a WEEI contract.

WEEI BOSTON—5000 watts, day; 1000 watts, night. Operated by the Columbia Broadcasting System. Represented by RADIO SALES: New York Chicago • Detroit • San Francisco • Los Angeles

[4]

You might think that all this has no connection with selling. Yet perfumes patiently evolved in laboratories enter into a goodly share of American commerce. Not only are they used in soap, cosmetics, etc., but in fabrics to cover up the bad odor of the starches used for finishing. Similarly, they have a place in such a diversity of products as paints, leather, linoleum, medicines, ink, whisky, foods. Perfumes, synthetically made, are not to be sniffed at scornfully by hairy-chested males.

"Your Home Town"

It seems that Quincy, Mass., is not the only town to give a warm welcome to newly arrived residents. Quincy's cordial "Howdy, Stranger" was recounted in this department July 1. Now Rockford, Ill., comes forward, full of local pride.

According to John C. Stafford, promotion manager of the Rockford *Morning Star* and *Register-Republic*, that city extends a glad hand just as does Quincy, and then some. "Two years ago," he says, "a Newcomers Club was organized here through the cooperation of the two papers, progressive merchants, and the Civic Activities Association.

"Many of our merchants give much the same kind of gifts (to new arrivals). As in the Massachusetts city, a letter from the mayor welcomes newcomers. And we go a bit further. We employ a hostess who calls on each new family, handing them the merchants' gift cards, together with a book, 'Newcomers Key to Rockford—Your Home Town.' The book has Mr. and Mrs. Stranger's name on its cover. It contains pictures and descriptions of Rockford's schools, churches, parks, history, etc., and a good map of the entire city.

"After the hostess has called, two members of the Newcomers Club pay a visit and extend an invitation to join. Dues are a dollar a year a family. Membership is limited to one year. We believe this limited membership is for the club's best interest, as families should make friends in a year. If no limit were placed the enrollment would soon grow too large.

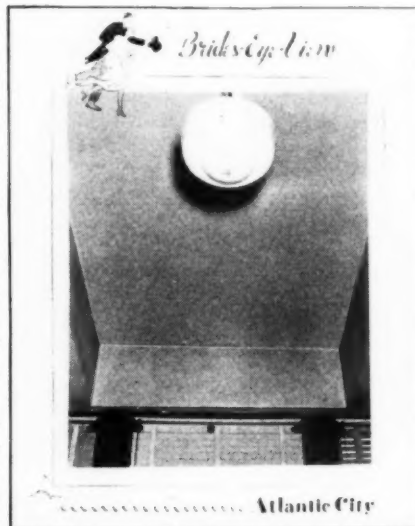
"The club sponsors monthly parties for all members, bridge teas, a knitting and sewing group, and a literary group. In the Summer it has picnics, tennis matches, and golf tournaments."

In addition, the Rockford papers run a page of advertising each month, listing all arrivals within the past 30 days, and their former residences. It is signed by local merchants.

"That this type of greeting is a success is proved by the fact that stores clamor for representation, and 75 to 80 families participate in the club activities each month," Mr. Stafford declares.

Honey Swat Key Mal E Pants

Andy Talbot, Jr., promotion manager of the *Times-Picayune* and New Orleans *States*, read T. Harry Thompson's comment "Nice headline by the resort's convention hall: 'A Bride's-Eye View of Atlantic City.'" Manager Talbot thereupon had "one of our staff photographers snap what I imagine is a 'Bride's-Eye View' of Atlantic City, Buffalo or Vinegar Bend, La." Mr. Thompson's comment was "I notice the globe in the ceiling is broken. Could that be the room-vibration?"



SALES MANAGEMENT

WHO BUYS THE NEW CARS?



and what magazines do they read?

TIME AND 20 CAR MANUFACTURERS FIND OUT

... the
same
people
who

are buying 1937's new shoes and overcoats, new air-conditioning and roofing, new passports and new policies—the people who are *buying* in 1937.

Thus "Who Buys the New Cars?" is more than a survey* of 20,000 new car buyers, establishes more than TIME's place on the automotive advertiser's list.

It's further proof that TIME belongs on the list of any advertiser with products to sell to 650,000 important U. S. families.

**If you have not seen a copy, write to*

TIME
The Weekly Newsmagazine

135 East 42nd Street, New York City

Sales Management

VOL. XLI. NO. 4

AUGUST 15, 1937

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Notes from the Managing Editor's Desk

Out of a staff meeting held two months ago for the purpose of discussing ideas suitable for a new major feature to alternate with "Spotlight" has come a new (and we think, nifty) notion which, barring engraving calamities and other Acts of God, we shall introduce in the September 1 issue. It's in tune with the newer trends in journalism toward furnishing helpful material which can be quickly assimilated, ripped out by its roots, and put to work. It's graphic. It's different. And it'll often be usable in promotion, in speeches, in actual market direction. After this teaser we hope you'll rip off the wrapper of the next issue in practically a frenzy of curiosity.

First part of the report recording the results of interviews with drug jobbers in six cities on the current private vs. national brand situation and the results of the R-P Act and fair trade legislation, appears in this issue. You may find it interesting to compare what the drug executives have to say with the comments of the grocery men quoted on the same subject in the issues of June 1 and 15.

This week we sent to the print shop the first of the editorial contents of the issue "Managing Salesmen in 1938," to be published October 10. It covered a new salesman's expense account practices study, and a summary of the way 50 companies get incentive factors into their salesmen's compensation plans. We'll stick to our previous story: This issue is going to be the best of its kind we have ever delivered.

Postscript: Gertie and Dot have come home.

—A. R. HAHN.



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Like the "'ammer, 'ammer, 'ammer of the 'orses 'oofs"...

NO USE, Jeeves... You'll never figure it all out... the C. I. O., W.P.A., Sit-downs and other new notions of today are too much for one of your traditions.

In measured tread—whether we're for them or not—new ideas come marching on, sweeping the past aside like chaff before the wind. *Change* is every where. Effecting everybody. Right in your own advertising business, for example.

Time was when media selection was simple. If you had a product for women, you bought the "Big Six." Then you added up or down the list as far as your appropriation would go.

Along came the Groups offering romance, glamour, "escape" to millions of feminine movie fans... Magazines produced in quantity, editorially geared to the masses who buy 90% of all goods. And what a market for advertisers smart enough to recognize this broad new avenue to more people for less money!

With a circulation of 2,578,511 net paid*, all young women (average age 25.5 years) and 56.7% of whom are married, Fawcett Women's Group has an audience no manufacturer can afford to overlook. Their *editorial personality* brings readers back voluntarily to the newsstands, month after month, cash in hand. It makes possible a 4,000,000 PLUS in *secondary* circulation through the 7,800 beauty parlors in which an average of 21 women per day read 4 Fawcett magazines every month—a PLUS that costs advertisers not an extra penny! It results in plenty of *coupon action* and profitable advertising results!

Regardless of your personal convictions—learn the Fawcett Women's Group story in this day of *change* and ever-increasing mass purchasing power. It will pay you! Write or telephone, today.

*Publisher's statement, quarter ending March 31, 1937.

FAWCETT WOMEN'S GROUP

The magazines with the human touch

Screen Book... Screen Play... Motion Picture-Movie Classic... Hollywood... Movie Story Magazine
Romantic Stories... True Confessions

FAWCETT PUBLICATIONS, INC.

NEW YORK • CHICAGO • LOS ANGELES • SAN FRANCISCO • ATLANTA

AUGUST 15, 1937

[7]

AMPLIFY

YOUR RADIO ADVERTISING RESULTS

with U. S. RADIO TIE-UPS AT THE SALES SPOT



SALES are made in people's minds.

Authorities differ as to which is more effective—sales impressions that reach the mind through the EAR—or—through the EYE.

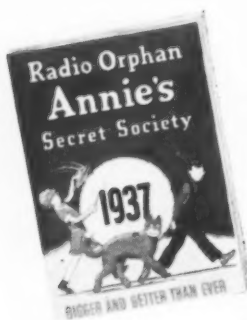
"U-S" believes that both are valuable—both essential to the balanced advertising program.

"U-S" Radio Tie-Ups reawaken—through the EYE—the favorable buying impulses received by Radio through the EAR. They appeal to the consumer—at the critical buying moment—to choose YOUR PRODUCT.

The Texaco Radio Tie-Up, featuring Eddie Cantor, was created by the Atlantic Division of "U-S". It is representative of the sparkling originality and sales effectiveness of "U-S" Displays produced for scores of the country's merchandising successes.

No matter what your product is or what kind of outlets you have, you can make your radio advertising more productive with "U-S" Radio Tie-Ups—give your product the benefit of their *last word at the sales spot.*

HERE'S ANOTHER METHOD of Making Radio Advertising More Efficient



Produced at our St. Charles plant, this booklet is reaching the hands of thousands of boys and girls throughout the country—resulting in sales of Ovaltine and gaining the good will of the younger generation.

When preparing your advertising plans use lithographed materials that make your radio advertising more effective—that help convert into sales the valuable impressions that Radio has created.

The UNITED STATES PRINTING & LITHOGRAPH COMPANY AND DIVISIONS.

Home Office:
315 BEECH STREET
CINCINNATI

- * AMERICAN LITHOGRAPHIC DIVISION
- * ATLANTIC LITHOGRAPHIC & PRINTING DIVISION
- * DONALDSON LITHOGRAPHING DIVISION
- * ERIE LITHOGRAPHING & PRINTING DIVISION
- * PALMER ADVERTISING SERVICE DIVISION
- * W. F. POWERS DIVISION
- * THEO. A. SCHMIDT LITHOGRAPHING DIVISION

SALES AND SERVICE OFFICES:

ATLANTA
BALTIMORE
BOSTON
BROOKLYN
CHICAGO

CINCINNATI
CLEVELAND
DETROIT
ERIE, PA.
INDIANAPOLIS

LOS ANGELES
KANSAS CITY
MILWAUKEE
MINNEAPOLIS
NEW YORK

PHILADELPHIA
PITTSBURGH
SAN FRANCISCO
SEATTLE
ST. CHARLES, ILL.
ST. LOUIS

For Products that Help Sell Your Product . . . Call a Representative from any "U-S" Division

*Here's the Answer
to*

ADVERTISING QUESTION No. 1

ELEPHANT TRAINING



FUNNY CUSTOM



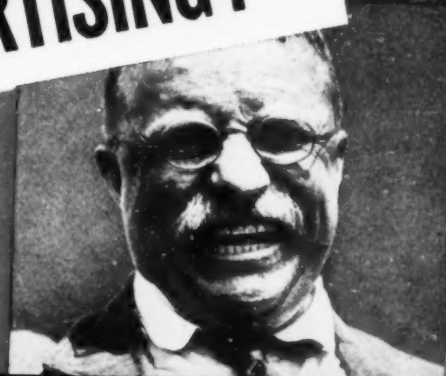
TWO-HAT WOMAN



ROGERS-ASTAIRE



"WHEN WILL LOOK ACCEPT ADVERTISING?"



CHILD LABOR



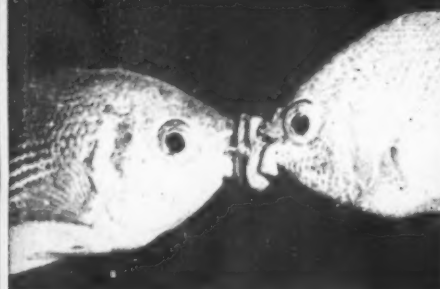
LOY-POWELL



GERMAN DUELS



FISH AFFECTION



INVISIBLE EYE GLASS



LOOK ACCEPTS ADVERTISING

Beginning with the NOVEMBER 9TH ISSUE

(ON THE NEWSSTANDS OCTOBER 26)

MANY people believe that Look's policy on advertising has been, to put it mildly, slightly unorthodox. In the past eight months, Look *has* passed up a substantial volume of advertising revenue.

That may not be the normal way of launching a new publishing venture, but it was the way of the publishers of Look. They preferred to determine reader interest in a new editorial and magazine technique at *their own expense*.

And it was indeed a new technique. Revolutionary! For its plan was to have the camera tell complete feature stories, with only incidental aid from the headlines and very brief captions.

It took a certain amount of courage. And a great amount of preparation. Four years of editorial trying and fitting, of putting together and taking apart, of surveying reader interest in the rotogravure pages of America—all these, were considered necessary—yes, indispensable—as a rigorous routine of “road work”—for the launching of Look early in 1937.

You may have wondered at the sudden popularity of this new picture magazine,

with its almost fabulous circulation increases. You may have discounted the reports that, issue for issue, its newsstand sale was larger than all long-established 5c weeklies and its leading picture competitor. You may have compared it in your mind with sensational but short-lived magazines of the past.

If you admit any or all of these reactions, we urge you now to take another look at Look.

Here is no mere miscellany of pictures. Here is, instead, an editorial plan which accounts for, and caters to, all the varied and basic interests of millions. Here is an editorial ingenuity which invented narrative-in-pictures, to attract a reader interest which so far seems to be limited by no previous boundary of publication circulation.

With the acceptance of advertising, Look now opens to advertisers a great new advertising medium, pre-tested for reader interest, with every page a feature page—every advertisement immediately adjacent to some gripping, pictured story.

HAY FEVER CURE?



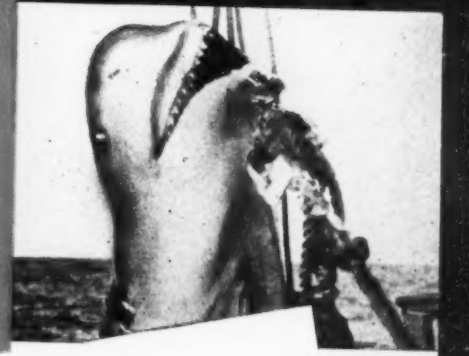
CHEATING DEATH



BUSIEST WOMAN



SHARKS



EN



*...and Here's
the Answer to*
**ADVERTISING
QUERY
No.2**

"WHAT ARE LOOK'S RATES?"

SHIP WRECKED!



BEAUTY—X-RAY



WHY SO POPULAR?



\$833,333 PER WIFE



HUMAN FLY



THESE RATES MAKE LOOK ONE OF ADVERTISING'S MOST SPECTACULAR BUYS

BLACK AND WHITE RATES

	1 TIME	7 TIMES	13 TIMES	18 TIMES	26 TIMES
FULL PAGE	\$3,725	\$3,600	\$3,500	\$3,300	\$3,100
ONE-HALF PAGE	1,975	1,875	1,800	1,700	1,600
ONE-QUARTER PAGE	1,000	965	950	900	850
ONE-EIGHTH PAGE	510	485	475	465	450
AGATE LINE	6.10	6.00	5.85	5.75	5.50

GUARANTEED CIRCULATION 1,500,000
DELIVERED CIRCULATION 1,700,000

(JULY 20th ISSUE)

WHERE in publishing history can you match Look's amazing rise to dominance in newsstand sales? And remember neither contests, subscription canvassers, boy salesmen nor premiums helped Look get 1,500,000 buyers!

Yes! Look's tremendous circulation is 99.2% *voluntary at 10 cents a copy!* Look clicked because Look's thrilling narrative-in-picture stories cover the entire universe of human interests . . . seek out the interesting, the curious in such varied and basic fields as science, travel, medicine, adventure, sports, invention, crime, beauty, religion, personalities, stage, sociology and self-improvement.

And now Look carries on its reputation for doing the unusual with *Frequency Discounts!* A rate innovation among general magazines which will work to the advantage of both advertisers and Look. It offers both small and large users of space a new kind of advertising economy.

AMERICA HAS A NEW NO. 1 ADVERTISING MEDIUM, beginning with the November 9th issue of Look . . . on the newsstands October 26th!



Look, Incorporated, Des Moines, Iowa

NEW YORK
551 Fifth Avenue

CHICAGO
333 North Michigan Avenue

DETROIT
General Motors Bldg.

KANSAS CITY—

8th City in Bank Clearings

IF it is true that money talks, then it speaks eloquently for Kansas City. Kansas City is the eighth city in America in bank clearings. The table at the right, compiled by Dun & Bradstreet, is for the year 1936. The showing so far in 1937 gives Kansas City a comparable rank.

Of all the known scales for measuring commercial strength, the bank clearings test is perhaps the most valuable. Whereas other tests may denote static wealth, such as real estate, money on deposit, money in savings banks, money in mortgages or other securities, the bank clearings record is the story of money in motion, of money being used.

Idle money buys no shoes, breakfast food, tooth paste, soap or razor blades. The money that is spent and respent is what counts. The turnover of money is as important as the turnover of merchandise. Both, in fact, go hand in hand. The velocity of money is essentially an index to the velocity of trade.

IN 1936 Kansas City had a money turnover of \$4,768,638,000—more than 4¾ billion dollars. It surpassed St. Louis by 270 million dollars. It topped Cleveland by more than half a billion dollars. Baltimore fell short of Kansas City's record by more than a billion, 400 million dollars. Minneapolis trails Kansas City by \$1,432,000,000.

Kansas City's bank clearings are greater by 181 million dollars than those of Cincinnati and New Orleans combined.

Kansas City is a giant city, a giant market, a great community of progressive people and thriving, diversified industries. It exerts a wide jobbing influence. It is the capital and center of an inland empire rich not only in agriculture and livestock, but in oil, zinc, lead, coal and other mineral wealth.

To advertisers the picture is made even more inviting by the fact this great central market is covered so completely by one newspaper, The Kansas City Star.

THE Kansas City Star, morning only or evening only, is the largest newspaper west of Chicago. No newspaper in St. Louis, Los Angeles, San Francisco or Minneapolis compares with it in volume of circulation or thoroughness of coverage.

The circulation of The Kansas City Star (morning, evening and Sunday) exceeds 310,000 copies each issue. The Weekly Kansas City Star (agricultural) has 479,000 paid-in-advance subscribers, largest circulation of all farm weeklies in America.

The Daily Star and Weekly Star or The Sunday Star and Weekly Star reach one out of every two homes, both urban and rural, in Kansas and Missouri excluding only St. Louis.

Ask for state maps showing the circulation coverage of The Kansas City Star. Ask also for special combination advertising rates for Daily and Weekly or Sunday and Weekly service.

Bank Clearings

Twelve Months, 1936

Compiled by Dun & Bradstreet

New York City	\$193,548,797,000
Philadelphia	18,745,000,000
Chicago	15,727,768,000
Boston	11,863,695,000
San Francisco	7,230,152,000
Pittsburgh	6,663,998,000
Detroit	5,350,618,000
KANSAS CITY	4,768,638,000
St. Louis	4,497,830,000
Cleveland	4,265,017,000
Baltimore	3,349,477,000
Minneapolis	3,336,541,000
Cincinnati	2,880,750,000
Atlanta	2,601,500,000
Dallas	2,401,917,000
Richmond	1,862,526,000
Seattle	1,727,459,000
New Orleans	1,706,496,000
Buffalo	1,692,936,000
Omaha	1,646,789,000
Louisville	1,602,575,000
Portland	1,471,756,000

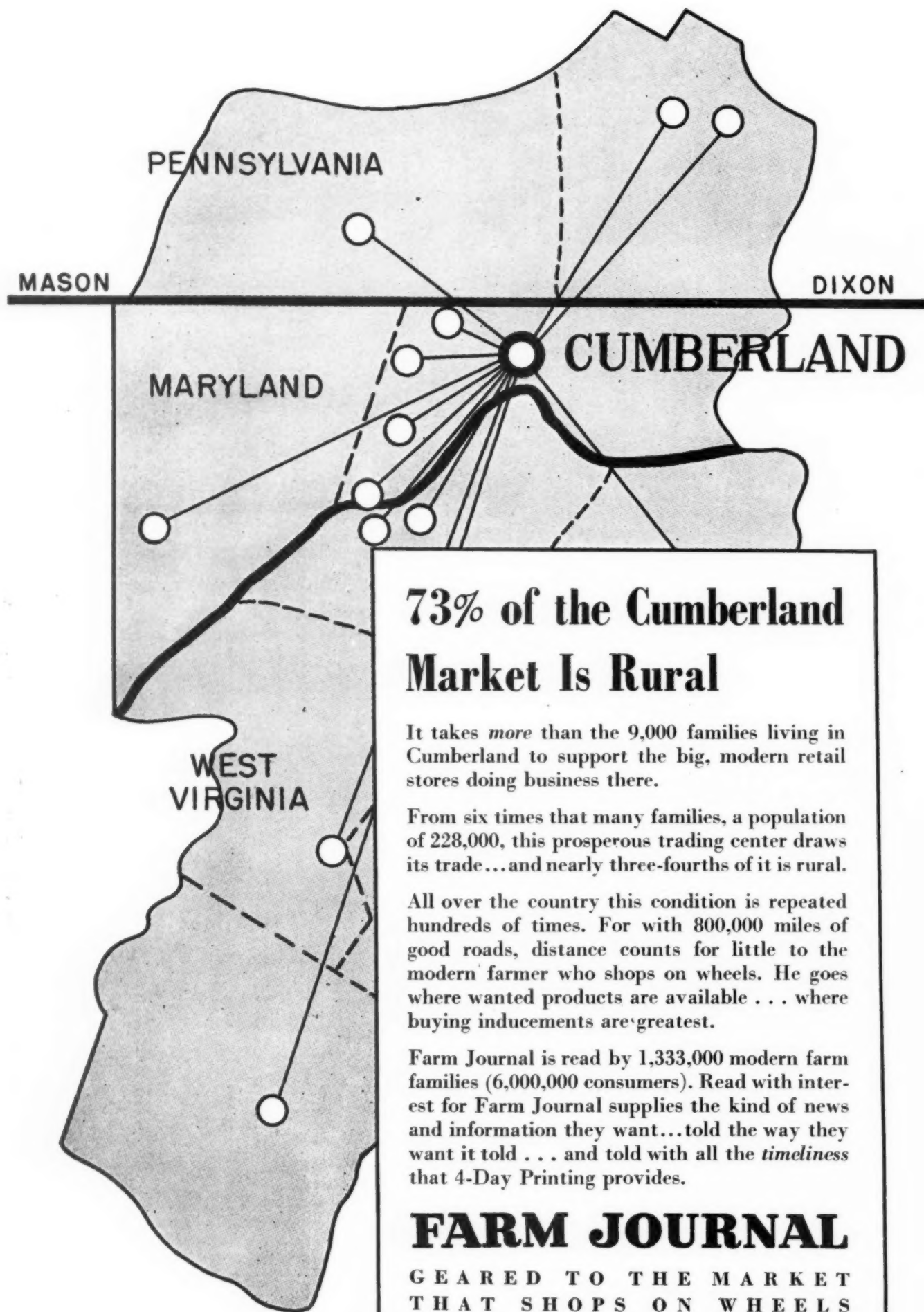
THE KANSAS CITY STAR.

EVENING 314,706

MORNING 311,413

SUNDAY 325,647

WEEKLY STAR 479,165



73% of the Cumberland Market Is Rural

It takes *more* than the 9,000 families living in Cumberland to support the big, modern retail stores doing business there.

From six times that many families, a population of 228,000, this prosperous trading center draws its trade...and nearly three-fourths of it is rural.

All over the country this condition is repeated hundreds of times. For with 800,000 miles of good roads, distance counts for little to the modern farmer who shops on wheels. He goes where wanted products are available . . . where buying inducements are greatest.

Farm Journal is read by 1,333,000 modern farm families (6,000,000 consumers). Read with interest for Farm Journal supplies the kind of news and information they want...told the way they want it told . . . and told with all the *timeliness* that 4-Day Printing provides.

FARM JOURNAL

GEARED TO THE MARKET
THAT SHOPS ON WHEELS

Significant Trends

As seen by the Editors of SALES MANAGEMENT for the fortnight ending August 15, 1937:

National Price Control

Columbia tax bill and passed by both branches of Congress, will have become a law. The bill will permit manufacturers to fix minimum prices on their goods in contracts with distributors and retailers in all states which have fair trade acts, and this now means all states except Alabama, Delaware, Mississippi, New Hampshire, Missouri and Texas.

● ● ● In support of his bill, Senator Tydings cited two examples of how it would work. No 1, showing what happens without his bill:

● ● ● "A book such as 'Gone With the Wind' is published," he said. "It sells for a particular price. All the big department stores buy it. The independent book stores sell nothing but books. The large department stores sell a variety of articles, and 'Gone With the Wind' can be bought in those particular stores for less than the stores paid for it from the publisher.

● ● ● "The result is that practically all the sales of the book are made at less than cost and are not made by the book stores of America but by stores dealing in other commodities. As a consequence the book store soon finds it has lost its biggest opportunity to do a good business at a reasonable profit, while the other stores obviously could not stay in business and sell things at less than the price paid for them, but make up the loss on the book by the sale of other articles. So, in the end, the public pays the full price for the book in that fashion."

● ● ● No. 2, showing what would happen under his bill: "It permits a man who manufactures an article to state the minimum resale price of the article in a contract with the man who buys it for ultimate resale to the public, provided—and this 'provided' is mountain high—that the article about which this contract is written is in free and open competition with other articles. There are on the market 25 or 30 varieties of toothpaste. Under the amendment, manufacturers may not combine with each other for the purpose of price maintenance; but if a manufacturer wishes to say that his particular kind of toothpaste may not be sold by a retailer at less than a certain minimum price, and that minimum price is high, other toothpaste manufacturers will come in and take his business."

● ● ● Despite strikes, bad weather and other retarding influences, American corporations are reporting very satisfactory second-quarter earnings. An analysis of 280 corporations which have so far reported earnings for the second quarter shows combined net profits, less deficits, of about \$426,000,000 for the quarter, against \$360,000,000 for the same period of 1936, or an increase of better than 18%. This is a slowing down from the first quarter, however, as will be seen from the fact that the aggregate net for these same companies for the first half of this year was 29% greater than in 1936. Industries showing the highest second quarter gains were, in percentage, steel and iron 138%, paper and paper products 103%, textiles 103%, office equipment 100% machinery 54%, and building supplies 47%.

● ● ● The other day a Washington commentator made the prediction that despite the average business man's fondness for rugged individualism, we would soon see concerted action on the part of manufacturers and distributors for more government regulation in business—especially of the type which might prevent labor unions from becoming more powerful.



Six Months Ago—and Today: The recent territorial income changes are pictured graphically in these Brookmire income maps. The small one is reprinted from the March 1 issue of SALES MANAGEMENT; the large one is the August 1 sales forecast of the economic service. Striking gains have been registered in the agricultural sections of the Middle-West; the Southwest, instead of being spotty, is now solidly black, which means good prospects; the area of black stretching through the tobacco and cotton sections of the South has widened materially, and the Rocky Mountain section, instead of being poor to fair, has become fair to good. The densely populated sec-



tions of the Pacific Coast remain as bright spots and although the gains from last year in the New England and Middle Atlantic industrial sections are not as great as in the agricultural areas, every state is substantially better off than in 1936.

It Is a Young Man's World

The Social Security Board has analyzed more than 11,000,000 applications for Social Security account cards and finds a considerable change from the 1930 census in distribution of gainful workers by age groups. Today persons under 35 represent 54.1% of the applications, whereas seven years ago they were only 50.3% of the census group of gainful workers. Today only 14% of workers are over 50, whereas seven years ago the figure was 18%. Another striking change is in the proportionately higher percentage of women workers—27% as against only 22% in 1930. Today the largest group numerically is in the 25-29 age group, whereas in the census the 20-24 had a numerical lead. More than 32% of the women workers today are under 25.

● ● ● From several sources come warnings that we are expanding our productive capacities too rapidly. The head of the International Economic Research Bureau says, "Our economic machine will pay a terrific price for expanding in a manner as though the United States were a young, unexploited country, instead of recognizing the truth that the situation at present does not warrant another pyramid of productive capacity on top of enormous war and post-war expansionist booms. . . . There are enough rayon plants being built today to require almost that the average woman wear two pairs of hose and two dresses at the same time when these plants are completed."

● ● ● A writer in *Barron's* strikes much the same note when he says: "Industrial production for the first half of this year was approximately 20% greater than for the first half of last year, but sales to consumers, as indicated by recent figures for retail trade and for bank clearings outside of New York, have increased only about as much as retail prices, indicating that the physical volume of goods moving to consumers is but little greater than it was a year ago. Obviously, if inventories are not to continue to increase, production must be brought in line with consumption."

● ● ● But the Federal Reserve Board, in its most recent study, does not seem to be alarmed. The Board points out that the volume of industrial output in June was 115% of the 1923-1925 average as compared with 118% maintained in the preceding three months, whereas the distribution of commodities to consumers was maintained in June at the level of other recent months.

● ● ● And Peter B. B. Andrews pointed out in "Future Sales Ratings," last issue of SM, that many industries have such a heavy backlog of orders that they cannot increase sales without increasing their productive capacity.

● ● ● Ten million car owners never bought a new car, and as increasing automobile sales will soon result in a total of some 30,000,000 cars operating on the roads of the country, the low-income group assumes a more important part of the automobile dealers' business. In the past three years some 3,000,000 families having an income of only \$1,500 a year or less have been added to the ranks of motorists; but, according to the Department of Commerce, they are not to any large extent purchasers of new cars. One-third of all car owners have a weekly income of less than \$20, 60% have a weekly income of less than \$30 and 90% a weekly income of less than \$60.

[16]

● ● ● Apparently about two used cars are sold each year to every new car. In 1936, for example, 10,606,000 cars were sold, of which 6,590,000 were used cars.

● ● ● Last week the Government of Pennsylvania dipped into the affairs of business at the urgent prayer of business men. The State started a two-year experiment in complete government control in the sale of used automobiles. Every time a man sells a used car in Pennsylvania, or buys or makes a trade in one, the transaction must be reported to the newly-created commission. The State will make surveys of the trade in second-hand cars monthly, and will then fix monthly the minimum allowance which any automobile dealer may give for a used car in a trade.

● ● ● The latest figures on retail distribution: June volume of sales in small towns and rural areas ran consistently higher than the 1929-31 period. Sales were up 6.9% in the East, 31.7% in the south, 1.8% in the Middle West and 28.9% in the Far West. . . . The electric refrigerator industry, which year in and year out sets new high records, is sailing along at a rapid pace, with sales for the first half year being about 20% higher than in 1936. . . . Household washer sales in the first half of the year were the biggest in the industry's history, and have been exceeded by only four full years.

Automobile Sales Boom

A recent Brookmire study points out that automobiles, like other products of a durable nature, are kept in service a longer period than their apparent normal life when public buying power is low. The deferred replacement then becomes translated into actual demand in the subsequent recovery and prosperity. The wide variation in the rate at which the public buys motor cars in prosperity and depression periods is vividly illustrated in comparisons since 1929 of automobile sales and the total of all retail sales. In the boom year automobiles accounted for 16% of total retail sales. They dropped to 8.5% in 1932, jumped to 12.2% in 1934 and stood at 15% in 1936. Between the peak prosperity year and the depression low, the total money spent by the public in all retail stores declined 48%, whereas the amount spent for automobiles recorded the severe slump of 72%.

● ● ● Other branches of the transportation field are daily becoming more promotion-minded; they are introducing new services and are not backward in letting the public know about them. The Central Railroad of New Jersey has installed loud-speaker systems on their passenger trains which enable stewards to announce dinner without barking through the cars, entertain the riders with musical selections and permit the announcer to call attention to historical and manufacturing points of interest en route.

● ● ● And the air lines are giving more than just safe and comfortable transportation. Perhaps taking a tip from the late E. H. Statler and the present, very-much-alive Ralph Hitz, passengers on United's "main liners" running between New York and Chicago are presented with toilet kits. Kit for men contains Pinaud's talc, vegetal and shaving cream, Eau de Quinine, Pebecco toothpaste, Gillette razor and blade. The women's kit includes Dorothy Gray lotion, nail cream and powder, Victoria-Vab powder puff.

● ● ● Preliminary figures for the transcontinental lines—American, United and TWA—indicate that July passenger traffic set a new peak for the industry.

SALES MANAGEMENT

NEWS REEL



General Changes: Howard A. Bellows, left, for a number of years manager of General Tire and Rubber Co.'s central division, with headquarters in Akron, has been transferred to New York to take over the management of the company's eastern division office. Under his supervision will also be the work of General Tire's Philadelphia office. Roy Doss, center, leaves the branch managership of the company's San Francisco office with a promotion to district manager of the Chicago district. Howard Stroup, right, formerly General Tire's Seattle branch manager, goes to the San Francisco office to replace Mr. Doss.



Commentator: (Right) American Cigarette and Cigar Co., Inc., has signed up Columnist Dorothy Thompson to broadcast over NBC's Red network and plug American's new Pall Mall cigarettes. Miss Thompson, wife of Novelist Sinclair Lewis, began her series of 15-minute Friday night broadcasts on August 6, discussing "People in the News."



Photograph of Dorothy Thompson by Pictures, Inc.; of Messrs. Gilde and Mason by Underwood & Underwood

Hard Hitter: Globe-Wernicke Co.'s president J. S. Sprott smiles as he wields the huge oak gavel recently presented to him by Northwestern Furniture Co. as a testimonial of long and pleasant business relations.



Fireman: Jarvis W. Mason, for the past six years advertising counsel for London Assurance Group, New York, joins the National Fire Group as manager of its advertising department. Mr. Mason's first big job is preparation of a nation-wide sales program for National Fire Agents.

Step Up: Easy Washing Machine Corp. recently promoted Morton Gilde to general sales manager of the company, with headquarters in Syracuse. Until his promotion Mr. Gilde was divisional sales manager of Easy Washing Machine's largest sales unit, the New York division.

Motorman: K. W. Vance, for the past 20 years automobile advertising and merchandising man, has been made merchandising mgr. of the De Soto Division of Chrysler Corp. to replace R. M. Roth who opens a De Soto dealership in Tampa.

Appointment to Nash: A. R. Boscow, top, until recently auto-contact man for the Chicago office of *The American Weekly*, goes to Nash Motors Division of Nash-Kelvinator Corp., to fill the newly created post of director of advertising and merchandising. J. E. Lamy, bottom, formerly with Chrysler Sales Corp., has been appointed organization manager of Nash Motors.





True, the Fram Oil Cleaner is "just an accessory." But Graham-Paige has found that when Mrs. Prospect—or her husband—sees it already installed on the model she is considering, and hears its merits carefully explained, she is more than likely to say, "I'd better take that, too."

Graham Turns Neglected Accessory Market into \$1,300,000 Volume

AND right there was a cool million dollars' worth of extra business — highly profitable business, too—just waiting to be picked up!

That's what Graham-Paige Motors Corp., Detroit, found when the management cast around just a casual glance about a year ago. And that is why Graham-Paige's sales of motor car accessories jumped 224% during the first nine months of the 1937 model year. Stated another way, this "side line" business totaled only \$550,000 during the entire 1936 model year, as compared with \$1,340,625 for the nine months ended June 30.

Still another aspect of the subject is the fact that the dealer's discount on his cars is only 20-odd%, whereas on accessories it ranges from 30 to more than 50%, with the average probably well above 40%.

But perhaps the most important feature of all is the fact that this extra business is just so much "velvet." It results entirely from extras to sales already made. It even helps to sell the cars.

Back in the early days of the in-

dustry it was customary to sell automobiles only. The purchaser bought a car, then he went to an accessory store and spent almost equally as much for accessories. Then the manufacturers began putting on such essential accessories as bumpers, spare tire carrier, rear-view mirror, ignition lock, and a spare tire, and the accessory shops passed out of the picture. Cars were sold "completely equipped" and

no one gave much thought to the matter of extras.

But then came the automobile radio, electric clocks, oil cleaners, air cleaners, sun visors, arm rests, heavy duty batteries, chromium-plated gadgets, and many other new things which some motor car customers wanted or could be sold. These were made available by most automobile manufacturers, but few did much about them. Their attitude was, "If you want 'em we've got 'em." They were in the automobile business; they didn't bother about small change.

Nevertheless, this accessory business grew apace. Manufacturers and dealers got some of it; service stations and garages got a lot of it; and much was just simply passed up because no one tried to get it. Then some of the leaders, notably the GM divisions and Chrysler, found that this accessory business worked in very nicely with their parts department. They found, further, that equipping a car fully helped to sell the car, as well as to dispose of a considerable volume of merchandise.

That was the situation last year, when C. W. Matheson, one of the



Graham-Paige has C. W. Matheson to thank for that million-odd of accessory sales . . . not to mention the automobiles that the accessories helped to sell.

SALES MANAGEMENT

Graham-Paige vice-presidents, went out to take a look at the accessory business. His company had accessories, but it was making no effort to sell them. Dealers were buying about half a million dollars' worth annually because their car customers insisted on having them.

Mr. Matheson became convinced that they could sell accessories; that this would mean extra business and extra profit for both manufacturer and dealer; that it would actually make their cars easier to sell, and that it would be a genuine service to their purchasers. He laid his plans before the management and the management said O.K.—if you think accessories can be sold, go ahead and sell them.

Mr. Matheson did just that. He segregated accessory sales, took charge of the new department himself, and has since devoted much personal attention to it. He got out a simple price list, he got behind the factory's 21 zone managers, he wrote letters to all dealers, and he set up a simple accounting system to measure response. He now has a card for each dealer on which are listed the dealer's purchases of cars and his corresponding purchases of accessories. He goes over these cards regularly, notes results, and takes appropriate action.

He sees at a glance, for example, that a certain dealer bought a given number of cars of given model and had, say, half of them equipped with the economical overdrive transmission. So he writes that dealer a letter, commenting on the order, stressing the importance of the overdrive on this model, and asking whether he doesn't think he had better have more, or all, of those cars so equipped.

Carrying vs. Selling Accessories

Another dealer located in a cold region orders some of his cars equipped with the Graham heater and defroster. Mr. Matheson knows that every car owner in that territory should have his car equipped with a good heater, and he writes the dealer to that effect. Result: The dealer places a blanket order to have all his cars equipped with heaters.

Similarly, it is usually more satisfactory to have a radio installed at the factory. In fact, the Graham-Philco car radio is the only one that will fit the Graham dashboard without difficulty. Having the job done at the factory adds \$49.95 to \$59.95 to the total of the sale.

At first there was only a price list—and personal letters. Then Graham published a modest, illustrated catalog. Then they added new items to the line and got out separate folders

on them. There were seat covers, for example. They didn't carry seat covers, but there was some demand for them, so a manufacturer was called in to get the specifications, terms were arranged, and Graham-Paige got out a folder offering tailored seat covers. They have sold 3,562 sets of seat covers since!

They had no defroster in 1936; in six months of 1937 they sold 7,904 defrosters.

In 1937, for the first time, they offered a little chrome-plated gadget to fit on the end of the exhaust pipe, for decorative purposes only, and have sold 1,312 to date—at \$1 each.

Even such a thing as a bug catcher—or, more politely, an insect screen for the radiator—was introduced just recently and orders for over 700 were received the first week.

But consider some real comparisons between *carrying* accessories and *selling* them:

Radios, 2,218 in all of 1936; 4,280 in nine months of 1937;

Heavy duty batteries, 110 in 1936; 1,795 in 1937;

Electric clocks, 89 in 1936; 6,460 in 1937—an increase of over 7,000%!

Chrome plating on wheels, 48 sets in 1936; 1,592 in 1937; chrome wheel rings, 79 in 1936; 1,751 sets in 1937 (and these sell at \$7.50 the set);

Car heaters, 2,505 in 1936; 8,530 in 1937;

In the first nine months of '37 model-year, Graham dealers sold nearly three times as many car accessories as they sold in the entire '36 model-year. All because C. W. Matheson induced the field men to act as creative salesmen instead of accessory order-takers.

BY

D. G. BAIRD

Ventilating wings, 1,840 in 1936; 3,450 in 1937.

All the above statistics for the full 1936 model year, as compared with only three-quarters of the 1937 model year.

Of course the retail salesmen are interested in this subject, too. They get 10% on accessories, as compared with 5 or 6% on automobiles, and this is extra business for them. They will sell fully as many cars, if not more, and selling them completely equipped means several dollars more in the pay envelope.

So Mr. Matheson undertook to interest retail salesmen in accessories. Beginning in January, he offered three cash prizes—\$25, \$15 and \$10—in each of the 21 zones, for the three salesmen who sold the most accessories during that month. Dealers must report their salesmen's sales, itemizing each, and, of course, giving the salesman's name. On receipt of every such report, Mr. Matheson writes the salesman a personal letter and thus maintains the interest of the retail salesmen in accessory sales. The contest has since been continued up to the present time, with the result that 63 such prizes are awarded every month.

Small Town Dealers Sell Most

Here one discovers further evidence that success in selling accessories is dependent chiefly upon pushing them. For by far the majority of these prize winners, almost every time, are located in small towns. In the Boston district, for example, first prize winner was located in Melrose, while winner of third prize was in Framingham. In the Cleveland district, no Cleveland salesman was a prize winner, the prizes going, respectively, to salesmen in Salem, Erie and Perrysburgh (ever hear of it?).

Mr. Matheson had on his desk during this interview a report from a salesman in Greensburg, Pa., reporting the sales of five cars so far for this month, plus \$638.35 worth of accessories! That is an average of over \$127 worth of accessories per car, or about \$12.75 more commission per car. If he wins first prize this month, as he probably will, his extra income as a result of pushing accessories will probably amount to about \$100 for the month.

The only explanation Mr. Matheson could offer for the fact that small-town salesmen sell more accessories than do their big-city brethren is that the former take fuller advantage of their fewer opportunities.

(Continued on page 68)

How Drug Jobbers Feel About the Private Brand Situation

Many sharp differences of opinion characterize these reports from drug wholesalers in six cities on the effect of the R-P and Fair Trade Acts. The future of national brands depends upon many factors other than legislation, they indicate.

(So many readers were interested in the report published in the June 1 and 15 issues on the opinions of grocery jobbers about the first year's working of the R-P Act that the editors decided to repeat the study among drug jobbers. This is the first of the reports from the drug field. This and subsequent articles will summarize opinions from more than two dozen drug jobbers in six cities: New York, Chicago, Kansas City, Detroit, San Francisco and New Orleans.—THE EDITORS.)

"PRESSURE against national brands may have increased with passage of the Federal Robinson-Patman Act, and particularly with enactment of Fair Trade laws in almost every state, but I believe, positively," said Lou Kalty, sales manager of Progressive Drug Co., "that these conditions do not mean 'death' or even much damage to established national brands in the drug field.

"Although we have increased private brands in the last year," Mr. Kalty added, "we have done so not from the necessity or desire to compete with established national brands. We have been forced into it by other wholesalers, who use national brands as a football to bring down the general price level. These wholesalers have their own brands, on which they seek to profit."

Progressive is, perhaps, the largest "independent" drug wholesaler in New York City. An "independent" in this field may be distinguished by the facts that it is still primarily a store supplier within a comparatively restricted area, and that whatever manufacturing or private labeling it may do is subordinate to the business of carrying whatever brands its retailer customers want.

Selling chiefly independent drug stores, serving chains only with some of its own private brands, concentrating its business within the 50-mile radius of the "metropolitan area," and doing 85% of it in the five boroughs of the city, Progressive comes close

to filling the "independent" definition. It is, of course, smaller than the New York wholesaling units of McKesson & Robbins. It is smaller than Schieffelin & Co. But these concerns are not "independent."

Schieffelin, largest drug wholesaler in New York, is also national distributor and promoter of several products, ranging from Steero bouillon cubes to Teacher's Scotch whisky.

In addition to its chain of 125 drug wholesalers throughout the country, McKesson & Robbins manufactures, at Bridgeport, a variety of drug products. Several of these products—such as Calox tooth powder—are nationally advertised. McKesson's national advertising expenditure has increased steadily in the last three years. This company also distributes, and promotes nationally, many liquor products—among them Martin's V.V.O. Scotch, Hunter Baltimore rye, Ronrico rum

Forced Into Private Brands

With their great resources and experience—Schieffelin is about 150, McKesson more than 100 years old—both these "drug wholesalers" are in a position to create national brands and, to a large extent, to dictate to other "national" manufacturers. McKesson, it is said, has used national brands as a "football," with dealers, to put in its own brands.

They are not, however, the whole drug wholesaling business—even in New York. Certain smaller but aggressive concerns, such as Progressive Drug and Ketchum & Co., keep functioning. And although Liggett, Walgreen, Whelan and other chains are strong in New York, the independents continue to do the bulk of the retail drug business there.

To meet the private brand competition of other wholesalers, Mr. Kalty said, his company bought a manufacturing company and sold certain

products under its label. This label, however, is not that of Progressive Drug Co. Progressive is anxious that its own name be not associated with it.

A dozen products are now sold under this label. These are all the basic drugs—"anybody's products"—which must be made to the standards of the United States Pharmacopoeia. They include witch hazel, milk of magnesia, mineral oil, aspirin, mineral oil and agar, eye wash, rubbing alcohol, peroxide.

"Less 'Switching' Today"

The two biggest drug store sellers are tooth paste and shaving cream. "We tried both of these—and razor blades—under private label," Mr. Kalty explained. "But we threw them out. They weren't profitable. National advertisers of drug products—particularly these products—are aggressive. They spend a high percentage of sales volume for advertising. Some of them, over a period of years, have aroused such a great and sustained demand that 'switching' is too costly. There is less drug switching today, I think—in spite of the Robinson-Patman Act and the alleged advantages it has given private brands—than there was a year ago.

"Not only that, but private brands have grown so fast, both before and after passage of that Act, that *their* whole situation is chaotic. They are fighting themselves into the red. And national opposition has forced them into a still more difficult situation.

"I don't mean that our job, as a distributor of national brands, is entirely rosy. In the first place, widely advertised products can be only a few of those which we must carry. We have 45,000 individual items—a tremendous and costly inventory. Due to the Robinson-Patman Act we have lost allowances and plenty of "grease" on the faster sellers, and we have had to take it on the chin. Some manufacturers have taken advantage of the Act to reduce discounts *beyond* the allowable amount. In other words, they have actually encouraged the growth of private brands.

"On the other hand, the fact remains that a brand is 'private' only as long as it is not advertised. When it is advertised, it becomes a general or

national or public brand, or whatever you want to call it. And it incurs the costs that face other national brands. These costs in time, if a brand is to grow, must be about the same as those of other widely sold and advertised brands. Probably they must even be greater. It is more expensive for a new or relatively unknown brand to win users than it is for an established brand to hold the customers it has and to win new ones. Years as well as dollars have been devoted to developing habits and 'consciousness,' which the new brand must overcome and alter, if it is to be sold at all.

"Much has been said lately about Macy's campaign for its private drug brands—*aspirin*, *milk of magnesia*, and whatever. The Macy brand is being shown at a price much lower than that of national brands of comparable quality. (Since both must be made to U.S.P. standards they must be 'comparable'.)"

"Now, in the first place, Macy's drug products are not private brands. They are very definitely 'public' brands. Macy's does not hide its light under a bushel. It uses millions of lines in newspapers annually, runs regular radio campaigns—even emphasizes its 'private brands' in national magazines—to put over the idea that if you buy Macy-brand merchandise, which is not subject to the 'price-fixing' of national brands, you save a lot of money.

Macy's "Phoney Virtuosity"

"It would seem to me that Macy's has merely taken advantage of the Robinson-Patman and Fair Trade acts to indulge in a bit of phony virtuosity," said Mr. Kelly. "A short time ago, under its 6% less policy, Macy's took the lead in loss-leading. On occasion you could buy *Camel* or *Chesterfield* cigarettes, for example, at 60 or 70 cents a carton. Macy's sold some national brands at a loss to attract store traffic and sell other brands, including Macy's own brands, at a profit.

"The present policy seems to be that Macy's has turned its own brands into loss leaders, or small profit items, to build traffic and volume. But Macy's, or any other 'private brand' concern, dares not carry 'switching' too far. Already some customers are going to other stores for the brands they want. They would rather pay more than spend the time arguing with clerks. This applies to every store which makes it difficult for a customer to get the brand he wants.

"A few unique drug products—like Covermark for facial blemishes—will



Ewing Galloway

Straws in the Drug Trade Wind

Typical quotations from drug wholesalers in six cities, who were interviewed by SALES MANAGEMENT reporters in this survey of opinion on the effects of the R-P and Fair Trade legislation.

"Cut-throat tactics of other wholesalers have forced us further into private brands."

"The company that wants to out-slick competition will always find new ways to do it."

"Development of private brands was forced as the result of a selfish attitude on the part of national brand manufacturers."

"The R-P Act favors chains and department stores."

"The future of national brands lies not in policing by the Government, but in the policies of the manufacturers themselves."

"Disputed points in the R-P Act need interpretation by the courts."

"Certain of the advantages of the R-P Act may be intangible, but they have made for a better business atmosphere."

"Price differentials ought not to be based on the quantity bought, but on the nature of the buyer's service."

"Bootlegging of merchandise to cut-raters is still a problem."

"There is a definite trend toward private labels and I expect to see this become more pronounced."

"Fair Trade acts are a boon to the small independent drug retailer."

"Gains in private brands are not due to any effect of the R-P Act, but to the fact that wholesalers are pushing their private brands more aggressively."

sell without advertising. But nearly all widely sold products must have it. And when a drug product is widely sold and accepted, it can continue to get a price high enough to pay for the advertising. Take Kurlash, for instance. It retails for a dollar. It is still on top in its field while several lower-priced newcomers have failed. Take Eastman Kodak. Its products are higher in price than those of several newcomers. But Eastman is still definitely dominant.

"When a product is advertised, it must stand up. There are still many shortcomings in advertising and in advertised products. But, by and large, that fact remains. When a product can win and hold belief through the years, when it becomes a national habit—a national custom—in the face of bitter and often unscrupulous competition—it deserves a decent price. I think such a product will continue to command it."

An executive of McKesson & Robbins said that he did not know if there has been a general increase in private labels or volume in drug wholesaling in the last year. There has, however, been a substantial growth, as F. Donald Coster, president, recently reported, in the advertising and sale of certain McKesson national brands.

At the same time, McKesson was perhaps the first and most aggressive drug house to urge the trade to follow not only the spirit but the letter of the law. On its enactment, last Summer, McKesson held "Robinson-Patman meetings" in large cities throughout the country.

Executives of Schieffelin & Co. said there had been no unusual expansion in their private label business. This conservative old company—founded in 1794—has accepted from manufacturers only the regular discounts for quantity, cash, etc.

It was emphasized that Schieffelin has never accepted "grease" from national advertisers, to concentrate more heavily on their products. "We handle only items which are in demand," it was said. "We don't try to create demand for them."

As a wholesaler, Schieffelin functions entirely on a "service" basis, in supplying merchandise which retailers want. Its business is done with 3,500 independent stores in a radius of 50 or 75 miles. It has no "voluntary chain." It does not even provide displays for dealers. But it does cooperate with manufacturers in telling them where displays are needed.

In drugs, Schieffelin has an important private label division, under Ron-

(Continued on page 74)

Advertising Campaigns

[Old and New Products as Promoted in Newspapers, Magazines, Radio, Dealer Helps, Films and Posters]

Luckies' Movies

Lucky Strike begins an elaborate test of movie shorts as an ad medium in a long list of New England theatres today, August 15. For 14 weeks the series, all in Technicolor, will run in some big houses, mostly in neighborhood spots. Should audiences react favorably, national distribution will be undertaken, according to George Washington Hill, Jr., ad. mgr.

Experiments with testimonial ads ("He sings four songs for \$4,000. Richard Crooks, who has one of the world's most valuable voices, tells why he *must* choose a light smoke") are being conducted by agents Lord & Thomas. Black-and-white newspaper space in New York and color pages in *This Week* and *The American Weekly* are feeling out the ground, while a much larger effort is being shaped.

U. S. Tire

U. S. Tire Dealers Mutual Corp., affiliate of U. S. Rubber, plays a loud fanfare at the birth of U. S. Tire, popular-priced companion to U. S. Royal and U. S. Royal Master. Full color pages in *This Week* and *The American Weekly*, plus b. & w. in 120 newspapers, coast to coast, carry the words and music. A group of promotional pieces and displays for dealers joins in the chorus.

The drive is additional to that conducted for the company's other two tires in about 400 major markets. Campbell-Ewald are in charge.

Anti-Freezers

Beads of sweat may be dappling the brows of toiling copy and layout men, but they are hard at work on campaigns for next Winter's auto anti-freeze preparations. At J. M. Mathes agency, account men for National Carbon Co. say that Eveready Prestone's appropriation will be confined to newspapers and magazines. Some 400 papers are on the schedule. First copy will break in cold communities in September, working South on the track of Old Man Boreas. Magazines for October are to carry the company's first shots.

Lambert & Feasley, agents for U. S. Industrial Alcohol's Super Pyro, announce an expanded budget. Space in *S. E. P.*, *Collier's*, *Liberty*, *Life*, *Country Gentleman*, and *The American*

Weekly, backed up by 10,000 billboards in 200 towns, will seek to sway motorists toward SP. Scads of dealer helps, signs, leaflets, banners, etc., and a talkie newsreel to assist distributors in signing up dealers are also provided. A goal of 6,000,000 buyers is sought for 1937. At its introduction in 1933, 800,000 car-owners bought the product. Last year the total was 4,600,000.

If your bus cakes solid with ice just when you have to make a train next Winter it won't be the fault of the anti-freeze men.

Milk Co-op

The Houston (Texas) Milk Council is successfully accomplishing what ad-men generally agree to be one of the most difficult advertising feats: A co-operative campaign. Although the program is local, its operations are of interest nationally because it shows how to avoid pitfalls of group efforts.

Composed of eight Houston milk pasteurizing plants and two producer organizations, the Council's purpose is to induce milk drinking—"a quart a day for children, a pint a day for adults." Spot radio announcements and ads in the local papers are used. These are rotated among Houston's stations KXYZ, KTRH, and KPRC, and the *Chronicle*, *Post*, and *Press*. Outdoor posters and dealer material are additional. Funds have been paid in advance, and the entire program has been perfected and approved for six months.

"Many cooperative campaigns fail," explains Jay Skinner, of the Jay Skinner agency in charge, "because only one branch of the industry carries the load, and the others get a free ride. Hence contributing members become disgruntled. We spiked this objection by bringing in the producers as well as the distributors on a 50-50 basis."

"It is not possible to get 100% of the members of any industry to subscribe. But when 80% join, as in Houston, the movement will succeed."

Individual ad programs are supplemented, not superseded, by the co-op drive.

A letter writing contest forms the program's nucleus. Milk salesmen, store clerks, waiters, and waitresses are enlisted, for contestants must state from whom milk was purchased.

SALES MANAGEMENT

Prize-winning letters carry an extra award to sellers of the milk, whether routemen, store salesmen, or restaurant employees.

Milk salesmen distribute point-of-purchase advertising, stickers, placards, etc. Their contacts with the trade make this simple—and when clerks and retailers found they had a chance to win a prize by merely cooperating, they were quick to push milk sales.

An undernourished and underprivileged boy was found by the Milk Council and fed plenty of dairy foods. He gained weight, and his rehabilitation brought the Council reams of excellent publicity. As another stunt, a scout was sent around town handing out dollar bills to people drinking milk at lunch counters, soda fountains, restaurants.

"Heretofore," says Adman Skinner, "dairy operators have experienced a decline in consumption at the close of the school season, in spite of their individual efforts to counteract the slump. This year our cooperative campaign broke at the close of school. Milk sales climbed. Adults are drinking more milk; and mothers are seeing that children get their milk quota during vacation, as well as in term time."

Report on Prof. Quiz

Last March, says S. C. Mitchell, ad mgr. of Kelvinator division of Nash-Kelvinator Corp., the refrigerator firm took over sponsorship of "Professor Quiz," a Columbia network program. "Three months later we estimated that, as a result of the program, over 500,000 people had visited our dealers' showrooms. Thousands of sales were definitely traced."

Going on the air first via WJSV, Washington, D. C., the Professor and

his "brain-busting" questions attracted considerable attention a couple of years ago as a sustaining period. Most of his queries required only a fund of general knowledge, though some real "stickers" were interspersed. Studio audiences competed for modest prizes in answering them, and listeners were invited to write down their replies and scoring themselves.

It was not until November of last year that the erudite Professor got on a national hook-up and started to soar. On the same half hour as Jack Benny, he nevertheless rapidly acquired an audience. To count noses on that following, \$5 bills were offered dial-twisters for the best lists of questions. In December 21,475 letters poured in. Each succeeding month the mail pouches were heavier. "Obviously," Mr. Mitchell points out, "here was a half-hour's entertainment which, without music, comedians, or prominent stars of any sort, had won for itself a keenly interested and sizeable audience."

Kelvinator's agency, Geyer, Cornell & Newell, tabbed the Prof. as a good number with which to return the refrigerator to the air—it had been absent since 1932. Time was shifted, and \$25 and \$15 prizes were awarded for high scoring. The six best lists of questions submitted by listeners got \$25 each every week, too.

Official entry blanks were obtainable at Kelvinator showrooms, and a "Missing Word" contest also sent entrants to the dealers for details. A completely equipped Kelvin Home, to be built by an architect of the winner's choice in his own community was offered. Approximately 750,000 books describing the contest were distributed, along with 1,250,000 entry blanks.

"An important phase of any radio program, of course," Manager Mitchell notes "is the dealers' attitude. We sent them a questionnaire on Prof. Quiz. Every distributor in the business answered it—and 88.6% called it 'good.'"

With larger prizes dangling, greater audience familiarity, Kelvinator expects the Professor to entice more armies of prospects, and buyers, into dealers' shops.

Touchdown for Atlantic

Atlantic Refining Co. will hold that line on virtually every important college gridiron in the Fall, sponsoring broadcasts of at least 158 games over some 64 stations in the East and Midwest. This dwarfs last season's schedule of 112 games and 41 stations.

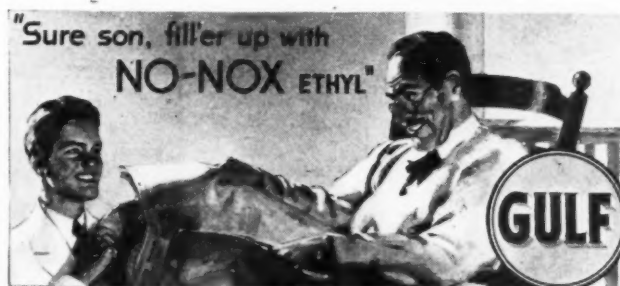
Last season, two rivals CBS and NBC declined to link outlets of their networks. Now, thanks to prolonged and delicate negotiations by Atlantic's agency, N. W. Ayer, both radio systems are cooperating. Games will not be transmitted on the complete networks of either chain, but only over "the individual stations best calculated to give proper coverage in the areas concerned." Thus, Atlantic is able to assemble its own chain from the ace 50,000 watt stations of CBS and NBC.

"Commercial announcements will be brief," promises Joseph R. Rollins, Atlantic ad manager, "None will be made during actual play." At least 40 announcers are to describe the games. Mass auditions are being held to select the best.

Billboard Sequence

Gulf Oil, and agents Calkins & Holden, lift a leaf from the pages of the picture magazines: A story told by a sequence of illustrations. What renders the notion unique (Gulf officers believe it's a "first") is the medium—outdoor billboards.

The trio reproduced are posted at intervals along the highways. Each is complete in itself, yet read in sequence they tell a little episode of young love in bloom. Strobridge Lithographing Co., Cincinnati, did the actual production job.



One, two, and three in Gulf's "continued in our next" billboards—an innovation on the highways, but a tested form in *Look* and *Life*. The continuity adds an extra fillip of interest for motorist-readers.



More Gadgets That Home Owners Want

The second installment of a survey made exclusively for Sales Management by the Market Research Corporation of America, the 52nd of a series—housewives and home owners tell of time- and labor-saving devices they would like for living-rooms, kitchens and bathrooms.

FIELD workers of the Market Research Corporation of America, working under the direction of Percival White and Pauline Arnold, recently gave men and women in the New York metropolitan area the opportunity to tell them of new gadgets or of things about the house that they would like to have someone manufacture for them.

The first installment of the returns appeared on page 40 of the August 1 issue of SALES MANAGEMENT and covered miscellaneous products and some of the kitchen appliances.

Here follow the so-called gadgets which people would like for the kitchen, bathroom, and for improvements on radios. Numerals in parenthesis indicate multiple suggestions.

Although the question clearly called for suggestions of new products, the answers mention many products now on the market, but about which these above-average people were obviously unfamiliar.

In the Kitchen

(Food Containers, Refrigerators)

Refrigerators

- Automatic release of ice cubes in all trays. (4)
- combination of water fountain and refrigerator. (2)
- More ice cube trays.
- Automatic closing of door by spring.
- Use more of door for storage space.
- Faster ice cream freezer.

Food Containers

- Transparent, waterproof, pliant, well-wearing food container for raw vegetables; for cooked vegetables, compartments. (2)
- More compact vegetable container for refrigerator.

(Bottles, Dishes, Silverware)

Bottles

- Milk containers that are easier to open and pour. (2)
- "Growler" of suitable refrigerator size that will keep beer from two to three hours. (2)

- Jars that will preserve foods without waxing them.
- Rubber bottle stoppers which fit as well but are easier to open than ones now on the market.

Dishes and Silverware

- Utensil to keep foods hot before and while serving. (3)
- Transparent substitute for glass.
- Unbreakable glassware for kitchen use.
- Unbreakable dishes.
- Non-absorbent, disinfected, cheap paper or composition plates and glasses.
- Cheap paper dishes.
- Knives, forks and spoons made of lightweight material, something other than metal.

In the Bathroom

Immovable Fixtures

- Automatic control to regulate temperature of water. (9)
- Foot pedal control for showers. (3)

- Built-in soap container that permits water to drain out. (3)
- Bathtub and washbowl of hard rubber. (2)
- Tubs built in higher plane for easier cleaning and use. (2)
- Buttons instead of spigots to push on water. (2)
- Clothes hamper, not chute, that can be pulled out of wall and that will spring back into place. (2)
- All fixtures built in wall to save room. (2)
- Combination shower-tub in which bath or shower could be taken from standing or sitting position. (2)
- Lightweight tubs and sinks with disinfectant in pores.
- Corrugated linoleum for bathroom floor.
- Room temperature regulator.
- Automatic soap machine—press button and you have soap.
- Unbreakable handles for faucets to keep from cutting hands.
- Sinks, tubs made of lighter material.
- Jointed canvas plumbing—press button and it disappears into floor.
- Suction device that would take in or dry spilled water.
- Automatic spring toilet seats which flush immediately after use—for home and apartment installation.
- Indirect lighting at bottom of tub to find soap.
- Larger, more comfortable tubs.
- Light button near entrance.
- Compact holder built in tub for brush, soap, cloth, etc.
- Bathroom compartments, so that each could be used by different persons at the same time.
- Frosted glass panes.

Movable Fixtures

- Bath mat that prevents slipping while taking shower. (25)
- Electric revolving brush, or sponge, for back scrubbing. (4)
- Non-steamable mirror. (2)



Counter Display Doubles Blue-Jay Sales in Month

Here's the best little sales getter that Bauer & Black has put out in years, perhaps ever. Wholesalers began offering it as recently as July 5 and already it has doubled the sales of Blue-Jay corn-plasters. It is a simple little sheet metal counter container which is given with a specified order of corn-chasers.

The point that makes it wanted more than any previous container is the fact that on the back-of-the-counter side are two spools, set inside the holder, filled with tying tape. Above it is a razor-blade cutter for snipping the tape. Above the tape spools are two trays. One holds rubber bands and the other labels. Very handy, say the druggists.

One of the main problems of any manufacturer is to invent or develop some device that will stay on the counter and stay a long time. Too many display holders are out a few days and gone. This one, it is believed, will stick. B. & B. will supply new tape when the spools run out or any kind of tape can be bought for rewinding. "This device has caught on faster and better than anything we've ever offered the drug trade," a company official told SM. "It's a winner."

SALES MANAGEMENT

The Winner and The Runner-up!

DO YOU realize this:

That the Metropolitan circulation is the only circulation in the world, newspaper or magazine, single or group, that can throw a million-and-a-half of its circulation out of the window and still have the greatest circulation in the world?!

9,000,000* if you add its seven alternate papers!

7,000,000 if you don't!

Millions ahead of all media in the world, at the first figure... and millions ahead of all media but one, and still nearly a million ahead of that one, at the second figure!

And, mind you!... not circulations sprawling in the deserts of depopulated mileage, but circulations clicking with a coverage intensity that embraces Almost Every Other Family in the richest and most unified sales areas in the United States.

All you get in the Metropolitan Group is just that Twenty-State Northeastern section of the country where 60% of all America lives and 67% of all America's retail goods are sold.

Other media with millions less in circulation can give you more square miles in territory, but the Metropolitan Group is not selling real estate, it is selling PEOPLE!

Put your product story in the Group which every other mother's son and daughter reads!

** with additional or alternate papers*

Metropolitan

Baltimore **SUN** • Boston **GLOBE** • Buffalo **TIMES** • Cleveland **PLAIN DEALER**
Chicago **TRIBUNE** • Detroit **NEWS** • New York **NEWS** • Pittsburgh **PRESS**
Philadelphia **INQUIRER** • St. Louis **GLOBE-DEMOCRAT** • Washington **STAR**

Gravure

Comics

Color

Metropolitan
Sunday
Newspapers, Inc.
New York • Chicago

weekly

Additional or alternate papers

Boston **HERALD** • Buffalo **COURIER-EXPRESS**
Chicago **TIMES** • Detroit **FREE PRESS** • New York
HERALD TRIBUNE • St. Louis **POST-DISPATCH**
Washington **POST**

THE LARGEST CIRCULATION IN THE WORLD - FROM 7 TO 9 MILLION FAMILIES*

Suction cup, tooth-brush and glass holder. (2)
 Cheap paper towels. (3)
 Long-handled, rubber brush-sprinkler that releases soap and water separately. (3)
 Bathroom scales that disappear in wall.
 Moving faucets in bathroom sinks and tubs.
 Electric gum massagers plugged near sink.
 Self-operating brush for children.
 Smaller needle shower hose caps for shampooing to prevent wetting clothing.
 Automatic tub cleaner. (2)
 More durable shower curtains.
 Adjustable lights.
 Waterproof blinds on spring roller instead of shower curtains, with built-in-groove in which to attach shade when down.
 Automatic towel drier.
 Electric hair washer and massager. (2)
 Shower curtain that doesn't stick together.
 Shower base of non-rotting rubber or some composition.
 Chemical or soap for removing rings from bathtub.
 Non-absorbent bath mat for use and disposal after use.
 Shelves under sink to be brought out by pressing buttons.

For the Radio

(Concerning Radio Cabinets)

Style of Radio Cabinet

Radios hidden in walls and pieces of furniture. (17)
 Radio in popular Colonial style to go with furniture. (2)
 Radios in bookcases, cupboards, with room for books or other articles. (2)
 More modernistic cabinets with colored designs.
 Larger variety of radio cabinets.
 One on an adjustable pedestal.

Size of Radios

Small portable radio with face on top, that can be attached to any piece of furniture. (2)
 Less cumbersome and less complicated large models.

Finish of Radio

More variety of woods to be used in cabinets. (2)
 Chemical to cover cabinet that prevents scratching.

(Radio Control)

Volume Control

Reduced volume by broadcasting stations after certain hours. (4)
 Radio speaker with control switches for each room connected with main radio. (4)
 Automatic volume fluctuation control instrument that could be attached to any radio. (4)
 Volume step-down control.
 Inexpensive remote control.

Radio Switch

Radio that would turn off automatically at night. (2)
 Radio in walls that turn on automatically, at time important stations are to broadcast.
 Inexpensive radio with clock indicating change of program.

Radio Dial

Radio dial marked with stations instead of numbers. (4)
 Gadget to permit hearer to register approval or disapproval of program at station.
 Use heavy celluloid—instead of glass.

Eliminator

Static eliminator, effective and inexpensive. (26)
 Elimination of conflicting stations. (2)

(Types of Radios)

Small Radios

Better cheap radios with wider station range. (2)
 Miniature radios that really work and last.
 Radio for home and traveling.

Other Types

Television. (6)
 Combination radio and phonograph either

of which can be used separately.
 Good short wave set.
 Radios adapted to the current.
 Music Informer.

(Radio Speakers)

Speakers

Better speakers in table models—better tone and depth.
 Radio screen grille to protect speakers from children pushing hands through screens.
 More radios adaptable for use of earphones.
 More efficient speakers that produce better tone for local stations.

Pioneer Suspender Co. Tests Its Lines in Advance Using Buyers, Sellers, Consumers

THE way to find out—in advance—what consumers will buy is to ask them. The way to find out—in advance—what stores will push is to ask them. It cuts a manufacturer's raw materials cost; avoids bad guesses in production, in inventory, in sales effort, in distribution. Both the manufacturer and the outlets stand to win.

So Pioneer Suspender Co. has taken another step forward in its "Test Everything" policy. For years Pioneer has had a "product jury" of consumers trying out new belts, braces and garters before they go on the market. This year it has added a "buying and selling jury" including every classification of store people: Merchandise managers, buyers, sales folks, display men, advertising men . . . and consumers. It produces small quantities of every new line weeks in advance and tries them out. The net result, says Sales Promotion Manager Moriz Dreyfus, is fewer mistakes in products, better store cooperation, sounder sales, less slow-merchandise—less mark-downs—more profit for everybody.

Forty stores were used last month in the "buying-and-selling-jury" plan. They were stores of various types in many markets. A new line of belts, for example, that had already been perfected after a "product jury" of white-collar men, truckers, et. al., had spoken, was carried by company executives to the 40 stores. It got a careful once-over by store people first. Merchandise managers saw it and gave their opinion. Buyers added theirs; then salespeople. Finally selected items were put on top of counters. Customers—a lot of them—were consulted. They bought, or they didn't buy, and they gave their reasons. All of this experience was cataloged,

store by store, region by region.

At the same time, display men saw the line. They judged its possibilities. They told Pioneer what kind of window and counter displays they would use. Store advertising men saw it. Some got definitely interested; made suggestions about copy and advertising material.

Then Pioneer produced belts the "jury" thought would sell best; made display and advertising material they knew would get used most; called its sales supervisors and road men together and put into their heads and hands "jury" results that would make them more effective salesmen who could do a lot more than merely show the line and boast. They could give stores of various types sounder advice about how to balance an order, how to display belts, how to advertise them, what to say to customers—all based on tests.

By this method Pioneer learns things about its own business; often changes products against its own first judgment; supplies displays that it would never have thought stores would use in volume. But it gives hundreds of people a personal hand—and thus a new personal interest—in its lines in advance; gets strong cooperation from stores. Pioneer thinks its "Test everything" plan is good.

Bijur Starts Own Agency

George Bijur, for 15 years active in advertising, most recently as v.-p. in charge of production with Fletcher & Ellis, New York, announces the formation of his own agency—George Bijur, Inc., New York. Mr. Bijur has directed the advertising of such retailers as Weber & Heilbronner and Bonwit Teller, New York, and L. Bamberger & Co., Newark, N. J. More recently he was director of advertising and sales promotion for Columbia Broadcasting System.

SALES MANAGEMENT

FACTS FROM WASHINGTON.. INTERPRETED IN ILLINOIS... FOR SOUTHWESTERN READERS

Much of the editorial copy appearing in The Farmer-Stockman is prepared on a portable typewriter on a Pullman table. Facts are gathered in Washington or Detroit or St. Louis. They are written in Illinois, Missouri or Arkansas. But they come to the readers of The Farmer-Stockman with a distinct Oklahoma and Texas slant.

During the first six months of 1937 thirty-four major conference and speaking appointments were made and kept by the editor. Included in these were meetings with extension division officials, bankers groups, chambers of commerce and farmers organizations in Oklahoma and Texas, helping formulate plans for a sounder basis of agriculture in the Southwest.

Of wider scope were the meetings of national importance attended by the editor. These included three conferences called in Washington by the Secretary of Agriculture to (1) discuss terms of the next farm bill, the now pending AAA Act of 1937; (2) make recommendations for a farm tenancy bill, and (3) discuss ways and means of affecting wheat acreage to be sown in the Fall of 1937. The editor was present also, upon invitation, at the farm Chemurgic Council at Detroit and secured at that meeting the assistance of the national group in organizing a state unit.

It is activity such as this that enables The Farmer-Stockman to keep its fingers on the pulse of the constantly changing picture of agriculture, both locally and nationally. It is this faculty for keeping abreast of the times that has made The Farmer-Stockman the preferred farm paper of the Southwest with the greatest Oklahoma-Texas circulation of any farm paper.



Farmers are buying today in the Southwest with the greatest income from wheat they have enjoyed since 1928. A continuation of this buying wave through the Fall and Winter is indicated on the strength of prospects for the best corn, cotton and feed crops since 1933.

The FARMER-STOCKMAN
OKLAHOMA CITY

THE OKLAHOMA PUBLISHING COMPANY

THE DAILY OKLAHOMAN
OKLAHOMA CITY TIMES

RADIO STATION WKY
MISTLETOE EXPRESS

AUGUST 15, 1937

[27]



I can tell it's August 15 without looking at the calendar. It's the deadline for that ole debbil ragweed, and your nose knows. The freedom of the sneeze!

Toward a more picturesque speech: "They looked like a lot of pickets for the poorhouse."—Joe Laurie, Jr., in *Variety*.

Through the medium of his character, "Lefty," Joe further says: "I don't know where my next check is coming from, or when my last one is coming back."

You may have tired of Amos 'n' Andy years ago, but I still find them amusing. Amos has such a common-sense angle on life. Recently, he was lecturing Andy on the wisdom of reading contracts thoroughly before signing on the dotted line. "I've found," he said, "that the big type gives it to you and the small type takes it away." He's nobody's fool.

Stopper by the Beck Engraving Co.: "Venus is no lady."

"Bugaboo" sounds like a swell name for an insecticide. It reminds me of a slogan I tried to give Black Flag years ago, without success: "Black Flag—the Banner of Bugs."

Jim Abrams, of Congoleum-Nairn, got a folder advertising the Hershey Hotel, run by the chocolate people in up-State Pennsylvania. It referred to "The Cozy Cocktail Room," which Jim thinks should be called "The Hershey Bar." Looking through last year's files of the Scratch-Pad, I find Wesley Ecoff had the same idea.

Persia's self-appointed dictator uses the title "Shah-an-Shah." To his enemies, he is doubtless "That old shah-an-shah."

News-item from Lympne, England: "Lindbergh flew here from his home in Seven Oaks, apparently without his wife." Did you search that rear cockpit? She's tiny, you know.

Kensil Bell, author of *Ice Patrol*, reports a closet-bowl in a Wilmington,

Del., bathroom bearing the trademark, "Royal Flush," which he considers a pat name. I wonder how many of them would constitute a Full House?

"Pullman sells sleep with a Friendly Service that assures the passenger Safety, Comfort, and Convenience." It's a beautiful thought.

A billboard that haunts me with its wistful appeal is that one with the sad-faced, tired little girl and the headline: "Mazie Wilts Early—Mazie Needs Muffets."

A bus-boy in the Detroit-Leland's excellent, air-conditioned coffee shop probably thinks I'm a card. He was refilling the water decanters from a handsome can with a long spout that reminded me of the cans used to fill your radiator in any filling-station. I floored him with: "Will you look at the oil, too, please?"

Writes Allan Hovey: "You could shorten what Arthur Pryor, Jr., said at the Chicago NAB convention about a certain type of radio commercial to four words—'Out, damned spot announcement.'"

Congratulations to Frances Tipton Hunter and the *Satevepost* on that cover for the July 10 issue, showing four little girls admiring the boy who is clowning by stretching his mouth with his fingers.

Many a young father can brag that he has a colic education.

Campbell's Soup scores again with "Reduced Summer Fares."

It's old, but it may have escaped you—that story of life told in road-signs: "Soft Shoulders . . . Dangerous Curves . . . Men Working . . . Children Playing."

A classified ad in the *Farm Journal* reads: "Write for 1937 picture book on how to breed squabs to Elmer Rice, Box 300, Melrose, Mass. Thousands wanted every week in the year, good prices." I'll bet Elmer looks cute sitting on a nest of pigeon eggs.

Something tells me Standard Oil stands to alienate a lot of dog-lovers with that billboard showing a poor purp chasing the family car and the copy: "They forgot me but they remembered Essolene."

"In the midst of this hell-heat, when I was looking over some copy appearing in various magazines, an inescapable conclusion bumped smack into me," writes Ralph Bennett, of Geare-Marston, Philadelphia advertising agency. "I'm sure that most copy-writers conjugate the verb 'to write' as 'write, wrote, written, wrotten.'" Right! Or so it seems to me in Philadelphia's jungle heat.

Menasha Products Co.'s R. H. Clough borrows a book-title to use as a slogan for poky pedestrians: "Wake up—and live!"

Andy Talbot is in again with a mailing-piece showing three elephants parading trunk-to-tail. The gag: "Sales jump up with Coupled Coverage," demonstrated with a rubber band which makes the elephants jump when the piece is folded inside-out. It advertises the *Times-Picayune* and the *New Orleans States*.

From my room in Peoria's Père Marquette, I see a dealer's sign in the middle of the block: "Aimen." He should be on the corner, obviously.

And a Peoria garage says: "We cure shimmy." Page Gilda Gray.

"You can't buy a stale Old Gold." Has somebody tried?

The boys are still at it. "Check your heat, Sir?" asks Chicago's Hotel Stevens.

Speaking of heat, a magic adjective for me is the compound, "air-conditioned." I know of no stronger selling-phrase.

Billy Baxter Club Soda is "made fine for fine people." *The New Yorker* would list this in its Words-of-one-syllable Department.

Some catalog-writer should be able to use this simile: "As rain-tight as a mail-box."

Motormen of trolley-cars (those indefensible hangovers of the nascent horseless age) are a curious breed. Invariably, they would rather make the green light than stop for a handful of cash customers.

T. HARRY THOMPSON.

SALES MANAGEMENT

HOOKLESS FASTENER COMPANY calls TELETYPEWRITER SERVICE

PERFECT HOOK-UP

● Teletypewriter Services connect the Boston, Chicago and New York sales offices, and the Philadelphia warehouse and sales office, with the Meadville, Pa., factory for Hookless Fastener Co.

Orders, invoices, promise dates, and shipping instructions are transmitted in type, instantly, accurately, and on company forms with record carbons.

This hook-up, developed in collaboration with Bell System representatives, allows credit control to be centralized in Meadville and enables the Philadelphia branch to concen-

trate on primary functions—warehousing and shipping. Centralized credit control speeds the transmission of credit information. New efficiencies reduce clerical operations about 237 hours a month and not only expedite shipments on orders filled at Meadville by 24 to 72 hours, but also permit the release of personnel to more productive work. Faster service all along the line cements customer relations.

Bell System Teletypewriter Service may prove equally profitable for your business. It costs nothing to find out. Just call your local telephone office.





The film, "Matchless Cookery," illustrates, in this scene, the excellent results obtained by cooking with a Kelvinator electric range.

Kelvinator "Cans" Experience of Veterans in New Training Course

Twenty-two slide films on refrigeration, ranges and laundry equipment condense the tested ideas of star salesmen for the benefit of the dealer and distributor organization.

PROFITING by previous experience, Kelvinator Division of Nash-Kelvinator Corp., Detroit, has developed a sales training program that is exceptionally thorough, comprehensive, flexible, and effective.

While the corporation has, of course, promoted a sales training program for many years, the present extensive and intensive personnel campaign was inaugurated only last year. At that time a personnel division was established at the factory; a series of slide films, manuals, and charts was prepared; and a corps of trained men were sent out into the field to assist distributors in conducting sales schools and in establishing permanent personnel departments.

All that was good. Results were fully up to expectations. But a year's experience revealed many opportunities for improvement. And before the first year was ended, Kelvinator was preparing a revised program that would take full advantage of the experience thus gained.

The factory personnel division was replaced by a regional set-up. Now, instead of having men from Detroit traveling back and forth across the

whole continent, the country has been divided into five regions and these, in turn, have been divided into 20-odd districts. The personnel men are still in the field, but their territories have been circumscribed. Each region now has a separate and fully-staffed organization, and the work is continuous and progressive in each and every region, rather than semi-occasional, as formerly.

It was also learned by experience that, while the program fundamentally was excellent, it might be refined and improved in many respects. It lacked flexibility. It was well adapted to the larger centers, but not so suitable for the smaller ones. Much of it that might as well be permanent was so involved with impermanent material as to necessitate annual revision. There was also room for some additional material. Finally, nothing is ever quite so good but what it may be improved.

So it was decided to revise the sales training program for 1937. About that time a splendid opportunity to take advantage of the experience of others presented itself. Some 500 star salesmen won a trip to Havana, Cuba, and the management decided to

mix a little business with pleasure. These salesmen, representing the most successful ones in all the world, knew more about the practical business of selling Kelvinator refrigerators, electric ranges, and laundry equipment than anybody else. They knew, from actual experience, how best to secure prospects, how to get in, how to make the presentation, how to meet objections, how to close. Why not ask them how they achieved these results?

This was done. The pleasure cruise became, in a sense, a floating forum. The salesmen were asked to fill out a questionnaire covering the above points, and others. An incentive for them to do so was provided. Nearly all of them responded heartily. Their answers then were tabulated, digested, and used in preparing the sales training program for 1937.

This program is aptly referred to as "light-socket education." All any dealer needs is the material and an electric outlet and he is prepared to conduct a thorough sales training course. It is all "canned" in the form of sound slide films and accompanied by a series of manuals which tell him just how to employ it.

There are nine such slide films on electric refrigeration, six on electric ranges, and seven on laundry equipment. Some of these, devoted to the fundamental principles of selling electrical household equipment, are the same for all three lines. Others employ the same pictures, but different sound. Furthermore, they are so prepared that the ones on fundamentals of salesmanship, which are more or less eternal, need not be revised at frequent intervals. Others, on products, necessarily must be revised each time there is a change of models.

Every Film a Sharp Sales Tool

First in the series on refrigeration is a sound slide film entitled "The Battle of the Ages," devoted to the subject of food and its preservation.

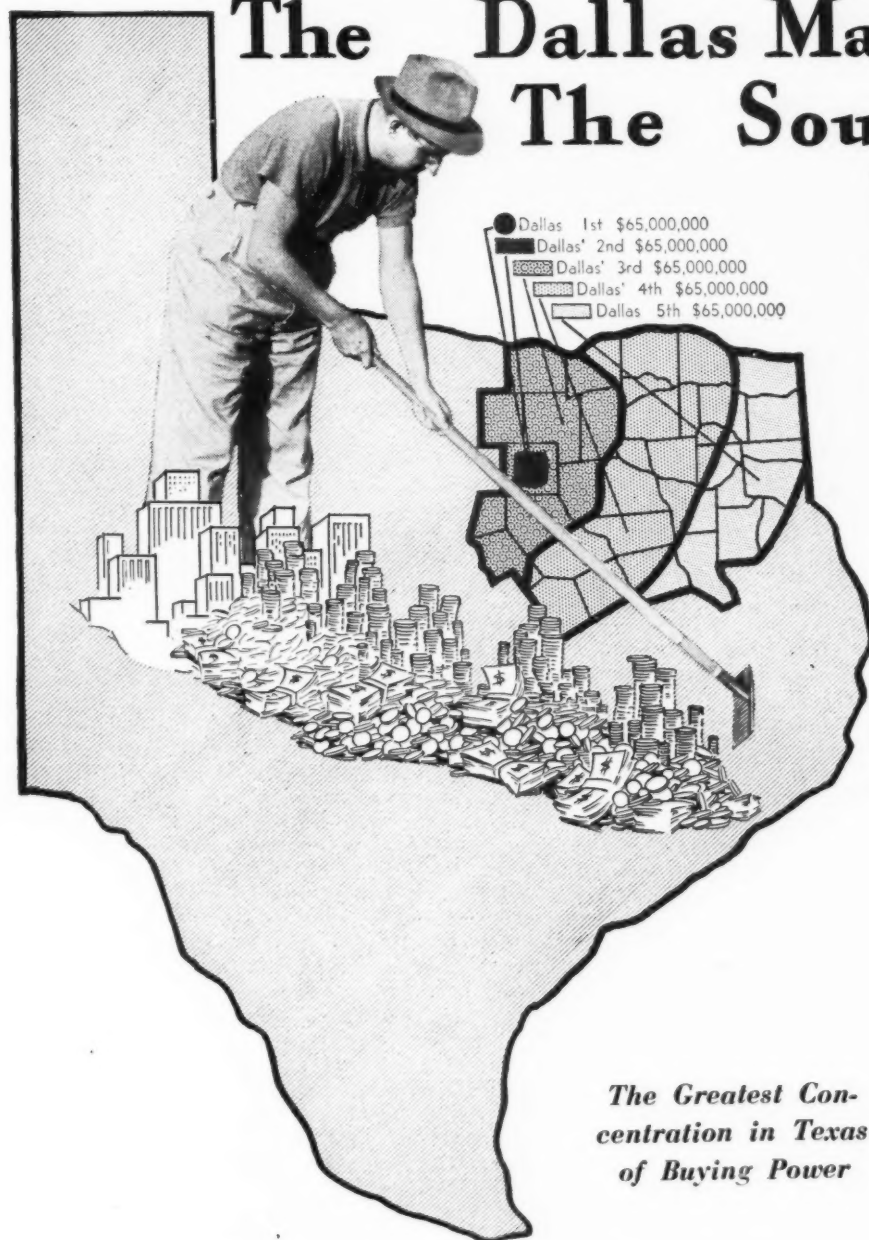
Second is "Ringing the Bell"—how to get prospects, with emphasis on canvassing, pre-approach information, the approach itself, getting in, etc.

The third is entitled "Assistant Salesmen," and illustrates such points as word-of-mouth advertising, personal interests of users, when to call back on users, and using the user's name.

This is followed by, "Why People Buy," which stresses the four reasons of pride, convenience, economy, and health protection.

"Selling in the Home," fifth of this series, is based on the Kelvinator album, which itself is entitled "Kel-

With *FIVE* 65-Million Dollar Zones The Dallas Market Leads The Southwest in **RETAIL SALES**



*The Greatest Concentration in Texas
of Buying Power*

By Printed Word . . . by Air—Practically a Continuous Service Coverage

Every day, every hour, one or more units of Texas' Leading Advertising Family is an invited guest in all the substantial homes of North and East Texas. Collectively and by units, The News "family" reaches more people in Texas' richest market than does any other state newspaper and its affiliates.

*"Texas' Major
Market News-
papers"*

The Dallas Morning News
The Dallas (Evening) Journal

*"Texas' Oldest
Business Insti-
tution"*

Representatives: JOHN B. WOODWARD, Inc.

Associates: The Semi-Weekly Farm News, The Texas Almanac and State Industrial Guide,
Radio Station WFAA (50,000 watts)

HOW far must the four principal cities of Texas reach out for their retail trade? The U. S. Census of Business for the year 1935 tells the story!

Begin with \$65,000,000 as the unit. Start Dallas, Houston, Fort Worth and San Antonio from scratch with \$65,000,000 each, inside its own city limits. Dallas finds its **SECOND** \$65,000,000 just inside its county lines . . . its **THIRD** within its suburban area . . . and an extra **FOURTH** and **FIFTH**, all within its natural trade territory of 37 counties. A total of \$325,000,000 of retail sales within one-day driving range of Dallas—with time for the round-trip and several hours left for shopping!

* * *

In sectors, each practically equal in size to Dallas' **FIVE** 65,000,000-dollar zones, Houston shows **THREE** such retail buying units . . . Fort Worth, **TWO** . . . and San Antonio, **TWO**.

* * *

With 1937 indicated as a banner year for Texas income—top production and high prices for oil, cotton, grains and other raw materials, the Dallas trade territory shows a concentration of buying power which commands national attention!

vinator Cuts the Cost of Better Living."

"The Two Facts Demonstration" is a product film designed to emphasize the two superior features which Kelvinator is featuring this year. It is particularly suitable for the small dealership with just one or a few experienced salesmen whose chief need is a better knowledge of the product.

"I Object," as the title implies, is devoted to answering the most common objections to electrical refrigeration in general and to Kelvinator in particular.

"The Closing Push" is also indicative of the character of the film which bears this title, as is the last of the series, "The Folly of Fear."

Six sound slide films are provided for training electric range salesmen. There are eight for laundry equipment salesmen.

"Ringing the Bell," "The Folly of Fear," and "The Closing Push" are the same in all three series, as they are concerned with the general principles of specialty selling. "Why People Buy" is similar in all three, but uses different sound.

All the films are accompanied by sound-on-the-disc synchronized with the pictures, so the untrained exhibitor doesn't have to do anything himself except hook up the apparatus and operate it.

Each series is accompanied by a series

of printed manuals. There is one manual for the distributor, another for the personnel man, another for the wholesale salesman, one for the dealer, and one for the salesman. The last of these summarizes what the student salesmen learn in the training school and is intended chiefly for review purposes.

Distributors and dealers who use the films must provide themselves with the necessary equipment, of course. Projectors are available in two sizes, the smaller one being adequate for groups up to 20 or so, the larger for others. The cost of these is about \$50 and \$95, respectively. Distributors and dealers who are already equipped with projectors need not buy new ones, however. The cost of a complete set of the sound slide films is upwards of \$90, which cost is borne cooperatively.

It is expected that such expenses hereafter will be greatly reduced, as projectors will continue to be used. Most of the films are also intended for permanent use in training successive classes of new salesmen.

The present program was prepared early in 1937 and is now being introduced in all three lines throughout the country.

The entire course was prepared by Research Service (a division of Ross Roy), Detroit; films are made by Wilding Picture Productions, Inc., Detroit; Webster projectors.

a tin roof being sprinkled with boulders.

"Hey, you!"

"Speaking."

"What kind of a rag is this Alpha Argus?" (You'd think, from the tone of voice, that we were advocating the return of slavery.)

"Why, it's a swell sheet, Joe."

"What? Why, you——" And for the next ten minutes, I just listened and shivered. If the operator caught any of it, our telephoning days are over.

Summed up, his well-chosen words said this: "My cigar copy must be on sports page. You promised me sports page. Tom [our n.a.m.] promised me sports page. I can't sell a single cigar unless I'm on sports page. Cigar smokers read only one page—the sports page. So why am I on Page 4? And do you think that you're the only paper in Alpha?" Bang!

I hung up and just sat there meditating, thinking what a blinkety-blank of a business this is and that maybe the AAA is worth looking into and does the boss realize what a flock of headaches I endure for practically nothing per month, when the phone rang again.

Harry "Would Eat No Lean"

I grabbed it savagely, yanked it over (the rope caught, as usual, on the knob of the second drawer, nearly dislocating my elbow, as usual, and snapping the mouthpiece, as usual, against my lower jaw) and mumbled, "Hello." That was the last word that I spoke for another ten minutes.

This time it was Harry, another s. b. His voice was a lower baritone, he snapped his sentences better and his verbal italics stood out more neatly. But other than that, his speech was almost a duplicate of Joe's.

Harry's comments ran along these lines: "When I say forward news page, I mean forward news page, so don't go putting any more of my liquor advertisements on that blinkety-blank sports page or you'll find the Alpha Argus wishing it had some of our copy instead of sorry that it has." Bang!

Isn't that a story? If you told it to anybody not in the business, he'd laugh at you. In fact, as I sit here now and think back on it, I get a little giggle out of it myself. At the time, however, my only inclination was to throw a mounted electro at the mouthpiece in the hope that it would fly out the other end and bat the guy between his ugly eyes.

I wade through situations of that
(Continued on page 56)

SALES MANAGEMENT

The Cuckoo Space Buyer Who Has a "Position" Fixation

How much—or how little—logic is there to some of the strange ideas purchasers of advertising have about what constitutes a desirable spot for a newspaper advertisement?

The sixth of a number of diatribes*

BY BRASS E. TACKS

MOST nursery rhymes seem rather silly when you think them over, but there's one that makes a lot of sense to me. It must have been written about a couple of space buyers. It's the one about the gent who insisted upon a certain type of meat while his wife, diplomatic soul, chose the exact opposite—"and so betwixt them both, they licked the platter clean!"

To illustrate: About 9:30 last Mon-

day morning, the telephone rang. It was Joe, one of our local space buyers, wishing to express his opinion of the position given the Friday previous to his cigar copy. Usually, Joe is a nice, quiet, likable chap—the kind who would give his seat to an old lady in a street car, the type who messes elevator service by removing his hat.

I say "usually." But, just misplace a comma or publicity-item a competitor and the guy hops on his high horse and grabs a megaphone. That's where he was this morning! He sounded like

* Other articles in this series appeared March 1, May 1, May 15, June 1, July 15.

RCA *salutes* LIFE

- - with the largest single
advertising campaign ever
planned for one magazine



The first "magazine within a magazine"—

once each month in LIFE

Radio Corporation of America, one of the great, restless, scientific experimenters of our times, this week launches *in LIFE* a new venture in advertising.

It is *LISTEN*—a picture magazine within a picture magazine, scheduled to appear regularly every month—in *LIFE*.

LISTEN will present the latest and most dramatic stories uncovered in every field of radio and sound in

which Radio Corporation of America plays a leading part.

Thus RCA salutes *LIFE* as the strongest, most modern power line for transmitting the printed message to a vast, well-informed audience from coast to coast.

The Publishers of *LIFE* salute the Publishers of *LISTEN*, and venture to guess that *LIFE* enthusiasts will become ardent "Listeners."

LIFE — LIFE — LIFE — LIFE — LIFE

Do you deliver the

FULL WEIGHT

of your selling ideas?

Quite often the gleaming, crystal-clear idea, which you promoted so enthusiastically, is received by your selling organization in a sadly shrunk form. Ideas have a way of melting in transit, of losing their brilliance and cold precision.

We would like to tell you about the Jam Handy Picture method of refrigerating ideas, preserving their full value and strength, and delivering their full weight to your sales organization.

The **JAM HANDY** *Organization*
is set up to help you fix this

Complete Sales Promotion Service

Motion Pictures • Talking Pictures • Slidefilms • Conventions • Playlets

DETROIT, 2900 E. Grand Blvd... *Madison* 2450 CHICAGO, 35 E. Wacker Drive... *State* 6758
NEW YORK, 230 Park Ave... *Murray Hill* 2-5290
HOLLYWOOD, 7046 Hollywood Blvd... *Hempstead* 5809

Do you deliver the

FULL WEIGHT

of your selling ideas?

Quite often the gleaming, crystal-clear idea, which you promoted so enthusiastically, is received by your selling organization in a sadly shrunk form. Ideas have a way of melting in transit, of losing their brilliance and cold precision.

We would like to tell you about the Jam Handy Picture method of refrigerating ideas, preserving their full value and strength, and delivering their full weight to your sales organization.

The **JAM HANDY** *Organization*
is set up to help you fix this

Complete Sales Promotion Service

Motion Pictures • Talking Pictures • Slidefilms • Conventions • Playlets

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Quite often the gleaming, crystal-clear idea, which you promoted so enthusiastically, is received by your selling organization in a sadly shrunk form. Ideas have a way of melting in transit, of losing their brilliance and cold precision.

We would like to tell you about the Jam Handy Picture method of refrigerating ideas, preserving their full value and strength, and delivering their full weight to your sales organization.

A large, melting ice cube sits on a dark, textured wooden surface. The ice is partially melted, with water dripping from its base. The lighting is dramatic, highlighting the sharp edges of the ice and the texture of the wood.

The JAM HANDY Organization
is set up to help you fix this

Complete Sales Promotion Service

Motion Pictures • Talking Pictures • Slidefilms • Conventions • Playlets

DETROIT, 2900 E. Grand Blvd... *Madison 2450* CHICAGO, 35 E. Wacker Drive... *State 6758*
NEW YORK, 230 Park Ave... *Murray Hill 2-5290*
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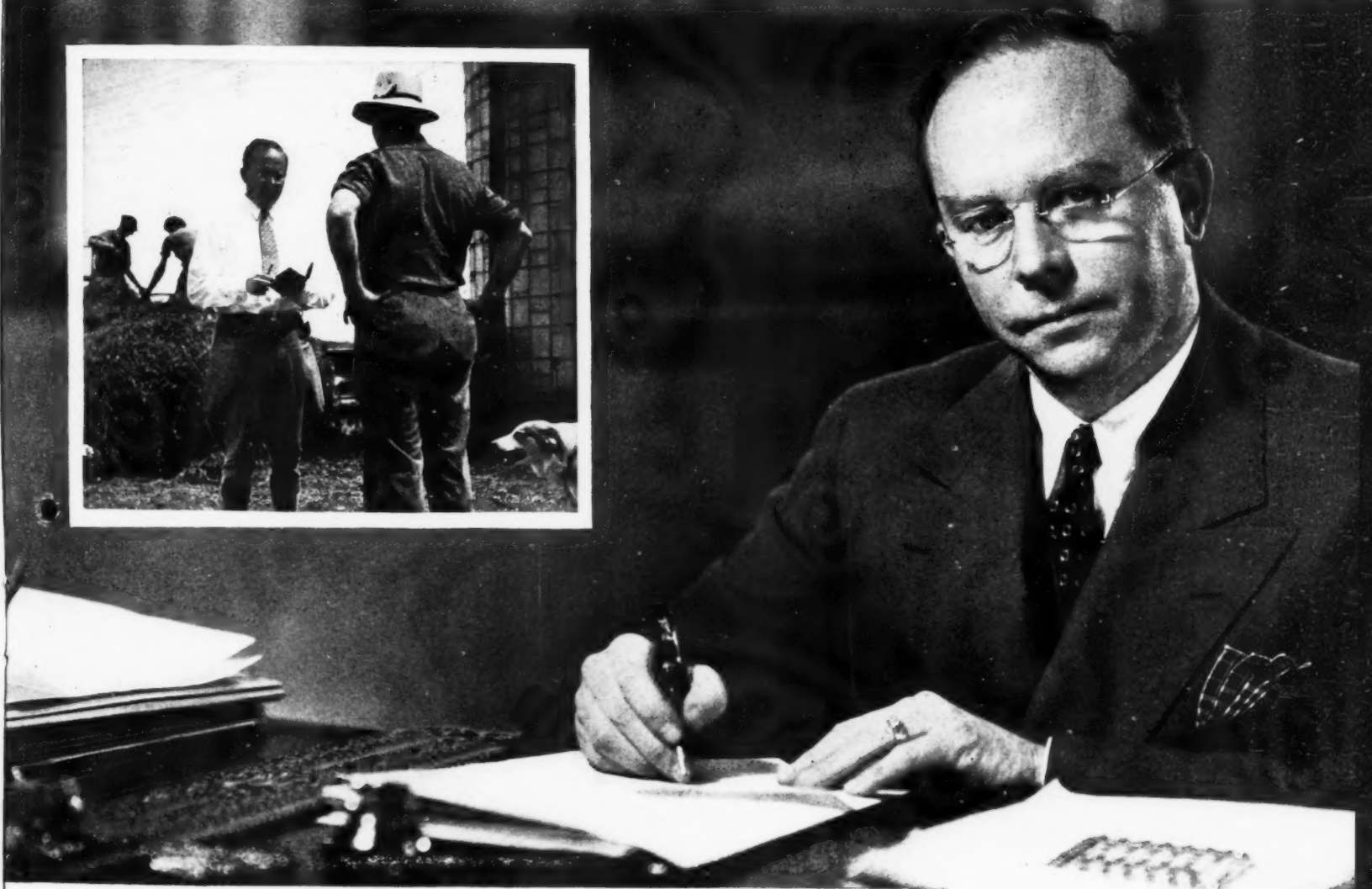
DETROIT, 2900 E. Grand Blvd. *Madison* 2450 CHICAGO, 35 E. Wacker Drive. *State* 6758
NEW YORK, 430 Park Ave. *Murray* Hill 2-5290
HOLLYWOOD, 7046 Hollywood Blvd. *Hempstead* 5809

DETROIT, 2900 E. Grand Blvd. *Madison 2450* CHICAGO, 35 E. Wacker Drive. *State 6758*
NEW YORK, 230 Park Ave. *Murray Hill 2-5290*
HOLLYWOOD, 7046 Hollywood Blvd. *Hempstead 5809*

NEW YORK, 230 Park Ave. *Murray Hill 2-5290*
HOLLYWOOD, 7046 Hollywood Blvd. *Hempstead 5809*

Spotlight

PEOPLE IN THE SALES PANORAMA



Chronically dissatisfied is Howard E. Blood. All his life this president of the Norge Division of Borg-Warner (executive vice-president of the parent company) has been that way. Fresh out of the University of Michigan in 1909, he rigged up a cost-and-time study system for his father's Blood Brothers Machine Co. that is used in many plants to this day. After flying in the War, and managing General Motors' Canadian Products Division afterward, he was so dissatisfied with manufacturing processes of Detroit Gear & Machine Co. that, as general manager, he recast them, cut costs, bettered sales methods, upped profits and put the company back into the black. He has been "new blood" in every enterprise he has touched, because "progressive dissatisfaction" is his main theme.

Discovering the cold-making rollator in a St. Louis machine shop, he improved it, developed the Norge refrigerator and converted it, when the Borg-Warner merger was effected, from excess baggage to a position of importance. Norge refrigerators moved up from scratch to fourth place in the refrigerator field in four depression years! Dissatisfied even with farming methods, he has applied industrial sense to the raising of hens, beef critters, fruit, so that his 834-acre model farm pays.

This internationally known mechanical engineer, marketing master and sales genius has a wide range of interests—he is an able pianist, a top-shot amateur photographer, a writer on business subjects.

NEW BLOOD

TOMMY

In Portland, Ore., 10 out of every 100 people have accounts with a business none of them knows—Smith's Flower Shop, Inc. The name everybody does know is "Flowers—Tommy Luke." It appears on neon signs, in newspaper ads, and over the air. Tommy puts it there . . . plenty. With 30,000 active accounts in a city of 300,000, he does the largest per capita volume business of any retail florist in the United States.

Thomas C. Luke is chairman of the Florists Telegraph Delivery Association's advertising committee; has been FTDA president for two years; a director for eight. But his principal business—and hobby—is building good will for Tommy Luke. He's always before the public, an indefatigable civic worker, but careful not to remain prominent too long in any one group. He has read his own radio commercial every week for 10 years. No one ever says "Good Morning" to him. He always says it first. Drivers of his maroon and cream modernistic trucks are models of courtesy; come to a dead stop when elderly people are crossing in front of them; never cut in and out of traffic.

Tommy Luke gets probably more birthday presents than any man—597 last year—partly because he sends 8,000 single roses annually to mark the birthdays of Portlanders. Thirty years ago he started in the business as errand boy. In 13 years he owned it. It may be "Smith's" on the corporate charter but it's "Flowers—Tommy Luke" to all Portland.



Most packers know their meat. They let somebody else worry about selling it. Not Phil Tovrea of Phoenix, Ariz. Born in nearby Gila Bend in 1894, he has learned more than most men about breeding, raising, handling and feeding cattle by working with them all his life . . . and about meat processing. His scientific feeding pens, using methods and underground silos of his own creation, are studied by others. So are his merchandising methods. Two years ago he repackaged his whole line; but with the advice of 2,000 housewives. His Tovrea Packing Co. sales jumped—aided by his own system of refrigerated truck delivery covering the Southwest, every driver a trained salesman.

This husky Arizonan almost lives with cattle. His home is near his big feeding pens. He rambles alone among cattle a good deal, day and night; says he thinks better close to animals. Cowmen great and small know him to be a hard bargainer, a square shooter, a good friend. His 500 employees know he never hires a man until he's sure; never gives a man a job he wouldn't do himself; helps them earn good livings. They share his hard-working enthusiasm . . . hear from him by telephone days, nights and Sundays. Personnel turnover is low. He's a director of the American Institute of Meat Packers and of many southwest corporations, father of two boys, a good swimmer and hard tennis player, a civic-minded man who tries vainly to stay in the background.

MEAT MAN



AUTO AD MAN

If advertising sells automobiles, then add to the list of champion automobile salesmen the name—Henry T. Ewald. He didn't sell cars in person. But the Campbell-Ewald advertising agency which he heads has been more completely up to its neck in automotive advertising these last 25 years than any of the other leading agencies of today, even though its list of accounts now includes not only gigantic Chevrolet and many other divisions of General Motors but also U. S. Rubber, Chesapeake & Ohio, Burroughs, etc.

Ewald has been going automotive most of his business life. Leaving the old D & C Navigation Co.'s advertising office at 25 he went to Studebaker, then to EMF, as advertising manager. In 1911 he joined Frank F. Campbell as a partner in an agency that had started in 1907. Campbell retired in 1917. Since then Ewald has handled the helm. It's a big agency but with no "Campbell-Ewald style of advertising" . . . every account gets a different treatment. The head of the agency says he's "a typical American business Babbitt who tries to see the world through the eyes of a large number of people." Human nature and the mass mind are his major studies. He seldom misses a home game of the Detroit Tigers and likes golf but has little time for it. Civic and philanthropic activities get most of his spare hours. He is 52, married, has a son and daughter, and lives in Detroit.



Please send 32,627 Reprints!"



If we published all the letters received as a result of just four BUSINESS WEEK stories they would fill a book, too bulky to carry. And a list of companies from which they came would read like a "Who's Who of American Business."

"Public Relations — First In The Order of Business," Number 1 of BUSINESS WEEK'S Report to Executives, appeared January 23rd. Reprints were offered in quantities of ten or less without charge. *Fifteen hundred and eighty-five letters asked for a total of 17,548 reprints.* Gratifying, but expensive.

So we put a charge of 5c per copy for more than *one* reprint on the next three Reports . . . "Industry On The Move," "Business, The Banks And Working Capital" and "The Profits of Diversification." Still—seventeen hundred and ten BUSINESS WEEK readers asked for 15,079 reprints of these three.

Proof of "reader interest" of course. But consider the confidence displayed in BUSINESS WEEK'S accuracy and authority by these men who asked for 32,627 reprints to distribute among their executive associates, customers and prospects. Most advertising men agree that reader's confidence in a magazine is as important to the advertiser as buyers' confidence in a salesman is to his company.

Just as gratifying is the fact that BUSINESS WEEK readers *do something* about what they read in BUSINESS WEEK — and a magazine that gets *action* from its readers is just as important to advertisers as a salesman who gets action from his customers.

That's why BUSINESS WEEK shows greater gains in advertising pages than any magazine in its field.

[illegible]

BUSINESS

THE EXECUTIVE'S BUSINESS PAPER
Youngstown Sheet
ALERT... ACCURATE... AUTHORITATIVE
Tube Co.



WEEK

330 W. 42nd STREET
NEW YORK, N. Y.

GAINS REACH 8-YEAR PEAK

General advertising gains in The Newark Evening News for the first six months of this year totaled 122,218 lines—a gain 109% greater than in the corresponding period of 1936—an 8-year high. The *combined* gain of *all* other Newark newspapers, daily and Sunday, was only 11,035 lines.

These advertisers placed 1,325,850 lines in The Newark News—evidence of the importance of the Newark-North Jersey market. Proof they regard The Newark News indispensable in selling their products here, that this market cannot be adequately covered without this newspaper.

NEWARK
NEW JERSEY

Newark Evening News

Always Reaches Home

O'MARA & ORMSBEE, IN C., General Advertising Representatives
New York, Chicago, Detroit, Boston, San Francisco, Los Angeles, Atlanta

Marketing Flashes

[Helping Employees to Get an Education—Zenith Advises Dealers to Stock Its Competitors' Wares]

Schooldays at Calvert

Employees of Calvert Distillers Corp. are looking forward to the ringing of schoolhouse bells for the opening of the Fall term. When it begins they will start courses in chemistry, layout, bookkeeping, and many others, at various colleges. Upon completion of their courses the company will refund to them 50% of their tuition.

Only one string is attached to this cooperative education: Calvert's industrial relations department must approve the course. Which means that studies that increase an employee's usefulness to the firm get an O.K., but purely cultural or frivolous studies are eliminated. Calvert is acting with the enlightened selfishness that is rare in the business world.

An employee who is thus aided to get an education, leading to probable promotion, is bound to be grateful to his employer. Employee gratitude and loyalty are assets to any firm.

Funds for the courses, night school or correspondence, are advanced after an employee-student's selection has been approved. Periodical deductions are made from his salary, but the 50% kick-back is given on successful completion of courses. Slackers and failures are thereby weeded out.

Emile E. Grignard, Calvert's director of industrial relations, developed the vocational education plan. Employees of all ranks are eligible in the New York home office, branches, and at Relay, Md., and Louisville, Ky., plants.

Rivals? Come Right In

Commander Eugene F. McDonald, Jr., president of Zenith Radio Corp., Chicago, shocked his 20,000 retailers bung-eyed the other day when he wrote them a letter. He said, in part:

"We have just completed a survey of Zenith dealers—and I am simply astounded by the number of dealers who handle Zenith *exclusively*.

"While I consider this a very pretty compliment to Zenith, I do not feel that the dealer who handles Zenith exclusively is being fair either to himself or to his customer.

"Few purchasers can carry in their minds from one store to another the comparative values of tone, ease of operation, or features of a radio set. Therefore, I say that in fairness to

yourself and to your customers, you should handle . . . one of the competitive lines. . . .

"In selecting a competitive make of radio, I urge you not to choose a weak one. Select the best that the market affords, so that every customer . . . can make direct and real comparisons. Comparison is Zenith's best salesman."

The effect on dealers was "like poking a stick in a hive of bees," according to Commander McDonald. All sorts of letters swarmed in to him. Some writers were burned up at the mere suggestion of adding another line. Many more thought the idea a crackerjack. "It was just the antithesis of what manufacturers generally have practiced," explains Commander McDonald, "but in selling, as in everything else, if you walk always in the beaten paths, you will get no attention and achieve no outstanding success."

Under his guidance Zenith pioneered the "arm chair" type of radio set. Believing that if these could be made popular they would render obsolete millions of old-fashioned sets, he invited other manufacturers to come in on the plan. Plenty of them have.

Three years ago Zenith stood in fifth place in the radio field. Today it is second, treading close on the leader's heels. Evidently the "bad boy of radio" whose whizzing sales policies have often taken competitors' breath away, knows his stuff.

Jobs and Men

Arthur C. Roy, with General Electric for the past 21 years, has resigned as ad and sales pro. mgr. of the air conditioning division. He becomes s. m. of the Metropolitan New York district for Hoffman Specialty Co., Waterbury, Conn., makers of radiator valves and heating specialties.

P. D. L'Hommedieu is advanced from director of Johnson & Johnson's dental division to mgr. of the eastern division general line.

Lewis H. Crafts is appointed s.m. of Lycoming Manufacturing Co.'s marine engine division. He has been associated with this phase of the Williamsport, Pa., company's business since 1933.

Edwin A. Nickel, formerly sales pro. mgr. of Hygrade Sylvania Corp., is appointed s.m. of W. P. Woodall Co., New York mail advertising and selling firm.

Twofors

An interesting sidelight was cast on what passes for the human mind by the grocery products division of General Mills, Inc., Minneapolis. To check retail outlets on the movement of "Wheaties" cereal, two offers were made. One priced a single package at 10 cents; the other offered two packages for 23 cents.

Store tests disclosed that 33% more Wheaties were sold at two for 23 than at one for a dime. Buyers, evidently, thought they were getting a bargain—or something. Though neither General Mills nor its agency, BBDO, has decided the matter as yet, we expect to see a rush of "two-for" offers on grocery counters. In which event we shall take along our lightening-calculator abacus when shopping.



Easy as a banana to peel

Twistee

J. P. Seeburg Corp., automatic vending machine manufacturers, are making it easier for ice cream addicts to cool their palates with an automatic ice cream dispenser that turns out a "twistee" of ice cream for a nickel in the coin slot. A "twistee" is a three-ounce roll of ice cream, spirally wrapped in cardboard that tears off nick-and-pull pencil fashion. For dainty hands, there's a napkin in the last twist of the "twistee" package. "Not a novelty," says Seeburg, "but a modern advancement in packaging."

The dispensing machine for this unwind-and-eat package is a companion to several drink dispensers that Seeburg already has on the market. It is leased to manufacturers who put their own brand name on the package, through national distribution facilities of the Fro-Vend Corp., New York.

Can Training Schools Cut Down Retail Store Failures?

BY ETNA M. KELLEY

Jacques Rosenblum points out a selling point to the student-salespeople of the store operated by New York's Central School of Business and Art. Every step in the sales-training course, from buying stock to filling out the customer's sales slip, duplicates the best retail selling practice.



MANY manufacturers have long believed that the remedy for the high dealer mortality in this country might lie in dealer education. They have felt that there was a need among retailers for training in proper buying, merchandising, display, stock control, and a number of other activities which vary according to the type of merchandise sold.

Because a dealer who understands the general principles of selling and merchandising is a better outlet for any line of goods than one whose selling skill is limited to a narrow range of products, certain manufacturers have attacked the problem in a broad way, not confining their training to their particular products only.

In spite of the laudable efforts of those manufacturers and the well-meaning but more selfish efforts of those who offered advice on selling only their own products, failures among small retailers have continued to take a high toll from industry. There is scant comfort in the thought that the high degree of ignorance and apathy among many of these merchants made them deserve their bankruptcies.

The proposed remedy, "Educate the Retailer," has been long advocated by those who saw the seriousness of the situation. At last the cry grew so loud that Congress heard it and took action in the passage of the George-Deen Act in June, 1936. The Act, which became effective in July, 1937, provides the sum of \$1,200,000 annually for a period of five years, for

training students in the distributive trades. Federal funds must be matched dollar for dollar by the States in which are located schools taking advantage of the plan.

According to a Dun & Bradstreet report, there were 893 retail failures in New York City in 1936, with total liabilities of \$8,568,000. In 1935 there were 8,035 retail failures in the United States, with total liabilities of \$95,317,936.

Since, despite its great wealth, New York City has a poor record of business failures, it is not surprising that the Board of Education of that city has recognized the responsibility of the schools as a medium for correcting the condition. Plans have already been made for the formation of about 50 sales training courses in the vocational schools. By next Autumn boys who are studying to become electricians will also learn how to sell electrical equipment; students in the needle trades will also learn proper methods of merchandising and displaying ready-to-wear; and budding mechanics will be taught the fine points of selling radio supplies.

There will also be courses in the retailing of shoes, jewelry, food and other commodities, their establishment depending upon the demand for them by students and merchants. Real stores will be set up and operated within the school buildings, as laboratories in which students may gain practical experience in handling actual merchandise.

How one school in New York City is training students for careers in retailing—Board of Education to adopt similar plan for 50 more courses in vocational schools. Manufacturers cooperate.

The New York schools are fortunate in having a pattern upon which to model their courses under the new system. For more than a year there has been in operation a retail store on the main floor of the Central School of Business and Arts in New York, which is used as a laboratory for students in salesmanship.

This store was established in May, 1936, at the suggestion of Jacques Rosenblum, who convinced Alexander Massell, the school's principal, that there is too wide a gap between academic selling courses and actual experience.

In this store, under the guidance of Mr. Rosenblum, students learn sales-book procedure, buy needed supplies, and are graded on their sales volume, size of individual sale, ability to sell related merchandise, and other matters that are important in any privately owned retail establishment. Its customers are the 8,000 day and night

SALES MANAGEMENT



*C. M. Chester
Chairman of the Board,
General Foods Corp.*



*Fred Kent, of
Kent's Cash Grocery,
Ottumwa, Iowa*

Mr. Chester . . . meet Mr. Kent

**. . . who sells your General Foods
products in Ottumwa, Iowa**

FRED KENT, aggressive grocer in Ottumwa, Iowa, has no special favorites among Maxwell House, Calumet Baking Powder, Jell-O, Swansdown Cake Flour, Minute Tapioca, Baker's Cocoanut, and other General Foods products which he sells—they're all fast-movers and good profit-makers.

But when it comes to newspapers, there Fred Kent does have a favorite for helping him sell more merchandise—The Des Moines Sunday Register. Right in his town of Ottumwa, 89 miles southeast of Des Moines, 4,960 of the 7,521 families—2 out of

every 3 Ottumwa families—read The Sunday Register. In this, Ottumwa is typical of Iowa—for in 202 of Iowa's 205 cities and towns of 1,000 population and over, The Sunday Register has an average coverage of 67 per cent of all families.

This may explain to you, Mr. Chester, why Iowa dealers have the same enthusiasm for potent advertising schedules in The Des Moines Sunday Register that Iowa housewives have for General Foods products. They know that over 300,000 concentrated circulation right in their local, home communities is circulation that counts.

Iowa
The Des Moines Register and Tribune

students at Central School; patronage from outsiders is discouraged. The store's receipts are reported to be approximately \$5,000 a month.

The store has nothing in common with the cooperative type of establishment seen on so many college campuses. It does not carry pennants and football sweaters. It makes a profit, is rated by Dun & Bradstreet and the Credit Clearing House. It anticipates all bills and takes advantage of all discounts. It pays rent to the school, which uses the money as a fund for carfare, lunches and dental care for needy students. From the profits also come the nominal wages paid to the student sales force.

Every six weeks the store is stocked

with a different type of merchandise. It began as a haberdashery store, next carried women's wearing apparel, and has since sold shoes, stationery and a variety of other products, each for a six weeks' term. During the last week of each cycle the stock is marked down and a "sale" is conducted—as preparation for students' future unhappy experiences with distress merchandise and surplus stocks.

In order to make the students' training as broad as possible, they are asked, before each restocking of the model store, to make surveys in various parts of New York City to discover possible locations for similar stores: They count passers-by, study competing outlets, check rents and

other expenses against potential income. Later, in class, they report on their findings and discuss the merits of the various locations suggested for the hypothetical stores.

The same sort of planning goes into the buying of merchandise for the model store. Before selecting it, questionnaires are sent to students of the Central School, to obtain their ideas on price-range, style, color, material. Merchandise is then bought to fit the preferences of the store's potential customers. Students receive the merchandise, check it and mark it up, and are responsible for moving it from the shelves.

With the assistance of a member of the testing staff of R. H. Macy & Co. of New York, a testing laboratory is now being installed in the school, with the newest machines and devices for trying out competitive products.

The 150 students who have completed the course have all found positions. Most of the girls are now selling hosiery, corsets, or other types of women's apparel at an average wage of \$18 per week. One young man who had shown considerable skill at window trimming went from the school to a \$40-a-week job as a displayman.

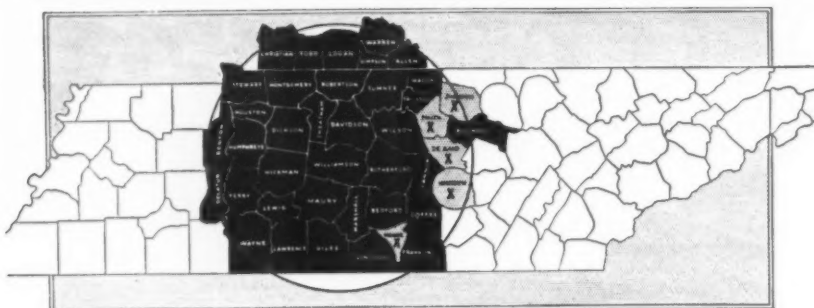
Consumers Learn, Too

Aside from its value as a sales-training laboratory for students in salesmanship, the store is also being used—only incidentally, it is true—as a training ground for consumers. Once during each school term, each class in the school is invited to go to the store to a fashion show, lecture, or other promotional event. They are given instruction in buying, being shown, for example, the features which make one garment higher in price than another.

Mr. Rosenblum, under whose supervision the store is operated, has been teaching salesmanship in the New York schools for more than 20 years. He believes the school is fulfilling a much-needed function among retailers, and as evidence to support his claim he points out the attendance at part-time classes of adults who are already engaged in retailing, both as employers and employees. Others who do not enroll in the courses come to the store to ask for advice on specific problems. A chain of confectionery stores wanted to enroll its sales staff of more than 1,000.

Since it has been in operation not much more than a year and has changed stock only at intervals of six weeks' time, the products of only a limited number of companies have been sold in the store to date. It main-

YOU CAN'T AFFORD TO MISS THE NASHVILLE MARKET!



X MARKS THE SPOTS WHERE THE TENNESSEAN DOES *not* LEAD!

This is a map of the Middle Tennessee Market drawn to include a radius of seventy-five miles from Nashville. It gives a graphic picture of a major market and the only way this market can be completely covered.

863,215 people — \$153,709,000

These 35 Tennessee, 6 Kentucky, counties contain 863,215 people, including the city of Nashville with 184,353 and twenty-three other towns with a combined population of 292,756. These 863,215 people spent \$153,709,000 in retail outlets last year, showed a spending increase of 47% over 1933 against a national increase of only 31%. Truly a major market, a growing market and a market that can and will buy your goods if your sales message is placed before them.

Use the market's favorite newspaper, The Tennessean. Look at the map

above. Out of these forty-one counties containing 863,215 people and twenty-four cities . . .

The Tennessean leads in Nashville.

The Tennessean leads in every one of the remaining 23 towns.

The Tennessean leads in 36 out of 41 counties.

The opposition paper leads in only 5 out of 41 counties.

No other medium but the Tennessean Newspapers can give you such intense coverage in the Middle Tennessee market.

CIRCULATION
123,611*
ALMOST TWICE THAT OF ANY
OTHER MIDDLE TENNESSEE
NEWSPAPER
*** 6 Months' Average—March 31, 1937**
ABC Publishers' Report

Tennessean Newspapers Inc.

Morning • Evening • Sunday

Silliman Evans
President and Publisher

NASHVILLE, TENNESSEE

Represented Nationally by The Branham Company

Buying Known Value

The business of space-buying functions much more smoothly when it deals with *known value**** It was to turn doubtful estimates of *controlled* circulations into known values that the Controlled Circulation Audit was formed *** C.C.A. is an independent body, conducting its audits regularly, impartially, thoroughly, presenting its findings clearly. The publishers of the media listed below can show you C.C.A. reports for their circulations, and the C.C.A. insignia on their mastheads, rate cards and Standard Rate & Data listings is a dependable guide to known value.

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	INDUSTRIAL POWER	NATIONAL JEWELER	TIRES
		OIL & GAS Equipment Review	WOOD PRODUCTS



CONTROLLED CIRCULATION PUBLISHERS

AUGUST 15, 1937

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tains resale prices set by manufacturers, several of whom have shown keen interest in the experiment. Their cooperation has taken the form of supplying display material and in some instances sending officials to lecture, who, naturally, emphasized the sales features of their own products.

Among the manufacturers whose products have been sold in the store are: Cheney Silk Co.; Chilton Pen Co.; Coty, Inc.; Crystal Hosiery Co.; Fashion Shirt Co.; Mojud Hosiery Co.; Julius K. Kayser Co.; and U. L. Rubber Products, Inc.

Typical comments of manufacturers:

Julius K. Kayser Co.: "We are highly in favor of the teaching of retailing in schools, as we believe that what the small independent merchant needs is young blood, educated in improved methods of retailing. These trained students should be assets not only to the small merchants—who certainly need them—but to the department stores as well. It is true that many department stores maintain their own educational systems, and they will have to continue them. Since they will have better material with which to start—students already trained—their results should be better than heretofore. There should be a smaller turnover among sales employees

in all types of retail establishments.

"We have closely watched the work being done in the model store in the Central School, and we believe it is performing a useful service; the efforts of those backing it are highly commendable."

Coty, Inc.: "We have been glad to cooperate with the sales training store in the Central School, as we are strong advocates of dealer education. In general, department stores can hold their own, but there is a great need for training in retailing among drug-store owners and employees."

W. L. Robertson, sales manager, Cravat Division, Cheney Bros.: "There is a great need for dealer education in the men's wear industry. We have been working with colleges and schools along this line, furnishing them with charts showing the development of silk from silkworm to the finished product; these charts are also supplied to our dealers."

In New York City the establishment of the sales training courses under the new plan will be supervised by Morris Siegel, director of Evening and Continuation Schools, at 500 Park Avenue. Mr. Siegel will welcome suggestions from chain store operators, manufacturers, retailers, and all those who might be interested directly or indirectly in the type of instruction available for students. He hopes, he says, to adapt the courses as closely as possible to the needs of modern industry.

If One Type of Premium Doesn't Catch 'Em, Another One Will

How one concern bids for the interest of the housewife through three different premium appeals: Standard catalog redemption, part-cash, and straight give-away.

BY R. G. DROWN

MANUFACTURERS are veering farther and farther away from what might be called the "traditional" method of offering consumer premiums, as this form of sales promotion assumes an increasingly important role in merchandising. Not long ago a company simply adopted the (then) "standard" catalog means of premium redemption, issued its coupons regularly with the product, and redeemed merchandise as it was ordered from their catalog. No cash payment was required.

Firms which later began to utilize a "part coupon and part cash" redemption plan had little or nothing to do with catalogs, changing their offers so frequently that a premium list of any sort would have become almost obsolete before it could be well circulated among consumers.

A comparatively recent development in the premium field has been the extensive use of the straight "give-away" plan, whereby the premium item is given over the counter in the retail outlet with the purchase of one or more of the manufacturer's units, requiring no coupons. This has been widely used by grocery and drug firms, in particular where they marketed products with profit margins great enough to allow them to absorb the cost of an inexpensive premium to stimulate their sale.

In some cases they charged something extra—just a small portion of the retail value of the premium—for the combination of premium and product. The bargain price on the premium article in this case was judged to have sufficient pulling power to force the sale of the manufacturer's goods to consumers anxious

to obtain the premium. In many respects this closely approaches the "part-coupon and part-cash" method, except that the consumer secured product and premium in one complete transaction and needs no coupons or other evidence of a previous purchase.

A growing and important tendency now is to combine two or more of these three premium appeals in the sale of a single product or line. Each of these redemption methods has certain definite advantages. Each offers something the other lacks. Therefore they all may deserve a place in the well-rounded premium plan, depending largely on the nature of the product, its turnover, its profit volume, and whether the premium offer is to be directed primarily at securing new customers or keeping present users satisfied.

Backbone: Premium Catalog

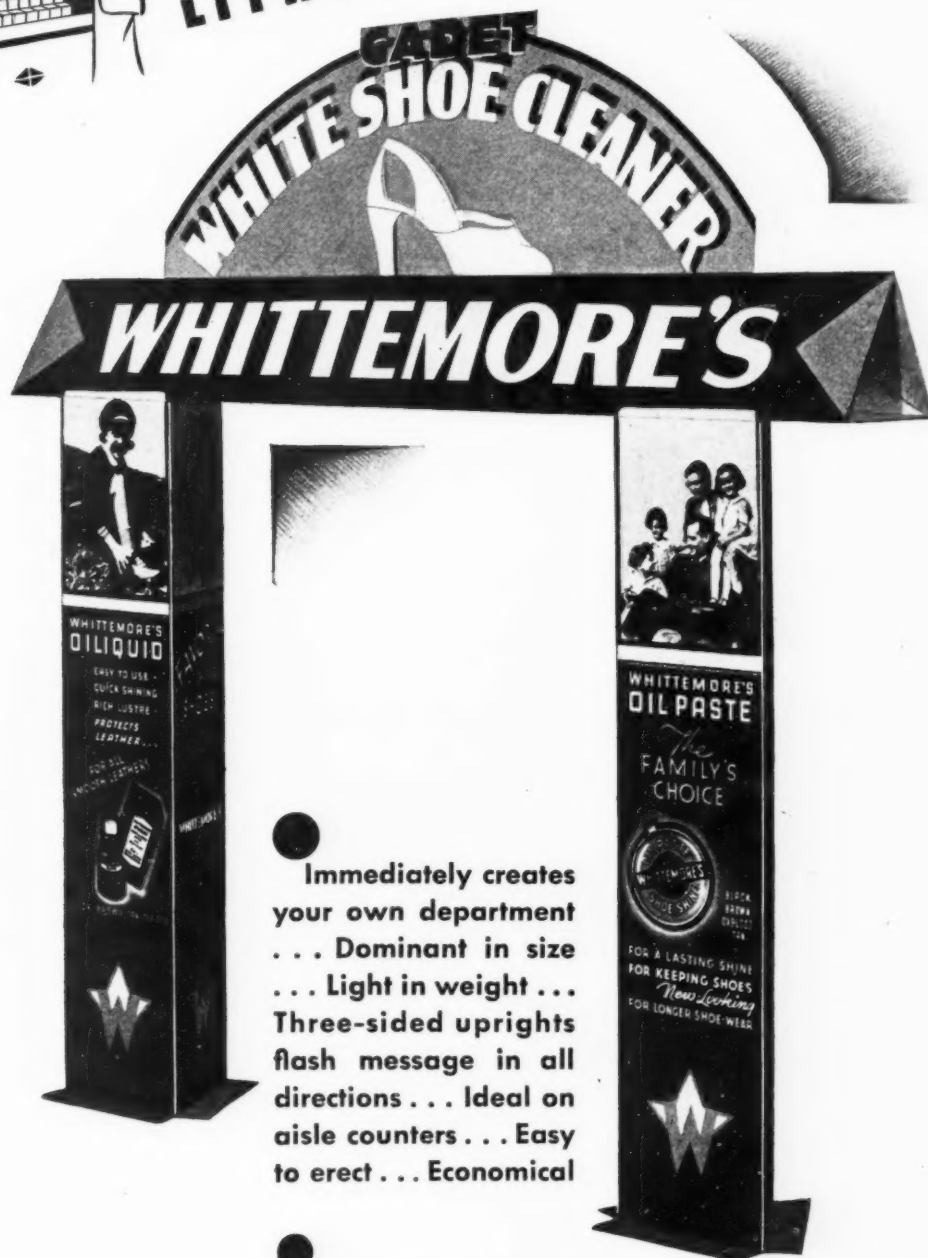
An example of how a company with a quarter of a century's experience in the premium field combines all three types of offers to build sales for a single line of products, is available in an analysis of one southern coffee roaster's policy. This firm markets a complete line of coffees, teas, spices, extracts and cocoa and uses premiums consistently in merchandising coffee and tea.

The regular premium catalog, originally introduced by this firm more than 25 years ago, is retained and forms the backbone of the entire premium program. Coupons packed with its coffees and teas are redeemable, without additional payment, for the items shown in the catalog. Kitchenware, household goods, jewelry, and other articles, are available as women's premiums; wearing apparel, pipes, pens and knives attract men; and games and toys catch the children's eye. These items, requiring from ten to 200 coupons, representing the sale of as many pounds of coffee, or quarter-pound packages of tea, retain present customers who are constantly seeking to add to their coupon totals in order to acquire a chosen premium.

In order to reach new customers and induce them to try the goods for the first time, this company a few years ago began to pay serious attention to combination "cash and coupon" offers and experimented with a few of these appeals so successfully that such deals are now standard practice with them. Aluminum kit-chen utensils have been chiefly used in this manner, and they are offered under terms that make them attractive to new and old customers alike.

(Continued on page 69)

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LITHOGRAPHED ARCH



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your own department
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aisle counters ... Easy
to erect ... Economical

We developed this striking chain store sales unit
for Whittemore Brothers Corporation. We can do the
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at once; he can help you create YOUR display.

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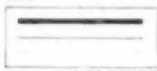
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The Working Layout

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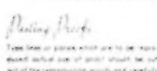
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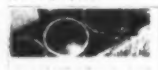


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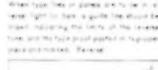


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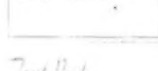
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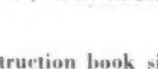
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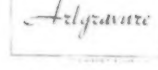
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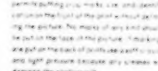
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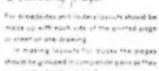
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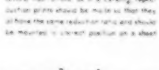
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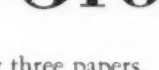
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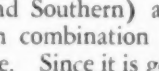
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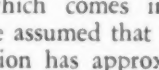
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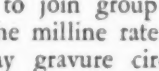
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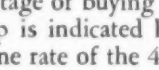
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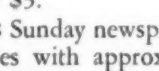
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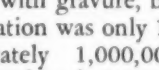
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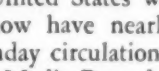
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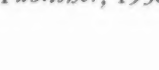
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When lines are to be printed on a page, they should be drawn in pencil. They should be 1/16 of an inch in width. Lines should be drawn in pencil on the drawing board. They should be drawn in pencil on the drawing board. They should be drawn in pencil on the drawing board.



With a circulation of 15,268,162 among 62 papers in 49 major markets, gravure in monotone and color is making a strong bid for a bigger share of the advertiser's newspaper appropriation.

Art Gravure's instruction book simplifies work for agency production men.

Gravure Grows; Color to Be Offered in All Sectional "Groups" in 1938

FOUR years ago (August 15, 1933) SALES MANAGEMENT published an article, entitled, "Is There a Trend Toward Color and Rotogravure?" An entire page of the article was given over to rotogravure statistics, and a considerable portion of the text consisted of analyses of the tabulated figures.

Comparing the 1933 figures with those of today, we are struck most forcibly by the current trend, among papers with gravure sections, toward membership in group selling agencies; and by the marked decline in the rotogravure milline rate brought about by group selling. Today 85% of all gravure in this country can be bought through groups, at an appreciable saving from card rates.

In 1933 there was a 12,000,000 Sunday gravure circulation available in the United States, of which 7,000,000 was sold through three groups with a total of 28 papers. The remaining 5,000,000 gravure circulation was divided among 31 independent, or non-group, papers.

With the coming into the field, on September 5, of eight papers in a newly organized Southern group, there will be 47 papers in the United States with group membership, their combined circulation totaling 13,000,000—more than the total gravure circulation of all papers in 1933. The 31 independent papers of 1933 have shrunk to 14, with 1,850,000 circulation, more than 1,500,000 of which is

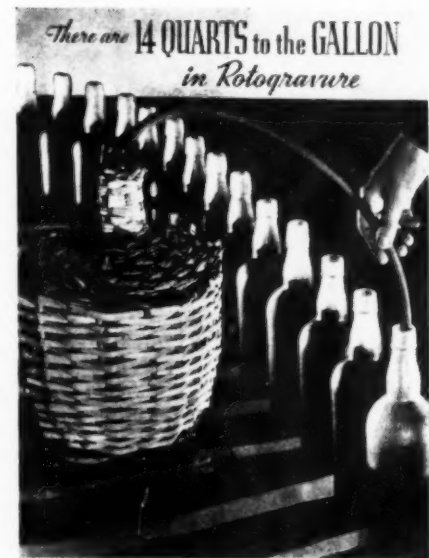
accounted for by three papers.

The six groups (Metropolitan, Midwest, New England, Empire State, Pacific Coast, and Southern) are now being bought in combination to give national coverage. Since it is generally conceded that practically every member of a family looks at the rotogravure section which comes into the home, it may be assumed that the six-group combination has approximately 50,000,000 readers every Sunday.

As a result of this tendency of the gravure papers to join group selling organizations, the milline rate for all available Sunday gravure circulation has declined from \$3.95 in 1925, and \$2.88 in 1933, to a low of \$2.19 today. The advantage of buying gravure through a group is indicated by comparing the milline rate of the 47 group papers of slightly more than \$2, to the rate of the 17 independents, which is approximately \$3.

There are 538 Sunday newspapers in the United States with approximately 31,400,000 circulation. Of these 62 have gravure sections. In 1933 there were 59 papers with gravure, but their combined circulation was only 12,000,000, approximately 1,000,000 less than today's combined group paper circulation. The 11% of the Sunday papers in the United States with gravure sections now have nearly 50% of the total Sunday circulation.

According to Media Records figures published in the March 27, 1937, issue of *Editor & Publisher*, 1936 mono-



The 3 1/2 to 1 ratio is dramatized by Kimberly-Clark in business paper ads.

tone rotogravure advertising lineage in newspapers of 100 important cities of the United States was 65.3% ahead of the 1934 figure, and 1936 color-gravure lineage was 86.2% ahead of 1934. According to Kimberly-Clark Corp., manufacturers of rotogravure papers, rotogravure lineage in May, 1937, was 1,246,754 lines, an increase of 94,329 lines, or 8.1% over May, 1936. Color roto accounted for 93,104 lines of the May, 1937, total.

Dollar volume for colorgravure in 1936 was estimated by *Editor & Publisher* at \$2,000,000, a large propor-

SALES MANAGEMENT

GRAVURE'S KEY MARKET "COVERAGE PATTERN" NOW COMPLETE

SOUTHERN GRAVURE GROUP

ATLANTA JOURNAL, BIRMINGHAM NEWS & AGE-HERALD, DALLAS NEWS, FORT WORTH STAR-TELEGRAM, HOUSTON CHRONICLE, KNOXVILLE NEWS-SENTINEL, MEMPHIS COMMERCIAL APPEAL, NEW ORLEANS ITEM-TRIBUNE.



This final unit will be available as of September 5th. With it, the Gravure Groups, for the first time, have a thoroughly balanced key market "coverage pattern" . . . New York and Los Angeles, New Orleans and Minneapolis, Atlanta and Seattle are joined together into a single dominant medium. . . The six Gravure Group combination (including the five Gravure Service Groups and the Metropolitan Group) gives you a more complete cover-

age of the country than does any other Group or combination of Groups . . . Six Groups, 43 mighty newspapers, the country's 39 key markets, fifty million readers every Sunday, Gravure takes its rightful place as a **primary national medium.**

GRAVURE SERVICE CORPORATION

420 Lexington Ave., New York City

360 N. Michigan Ave., Chicago, Ill.
General Motors Bldg., Detroit, Mich.
284 Chronicle Bldg., San Francisco, Calif.

MIDWEST GRAVURE GROUP

CINCINNATI ENQUIRER
DENVER POST
DES MOINES REGISTER
DETROIT FREE PRESS
INDIANAPOLIS STAR
KANSAS CITY JOURNAL-POST
LOUISVILLE COURIER-JOURNAL
MILWAUKEE JOURNAL
MINNEAPOLIS TRIBUNE
OMAHA WORLD-HERALD
ST. PAUL PIONEER PRESS
TOLEDO TIMES

CIRCULATION . 2,321,891
LINE RATE \$5.70

EMPIRE STATE GRAVURE GROUP

BUFFALO COURIER-EXPRESS
NEW YORK HERALD TRIBUNE
ROCHESTER DEMOCRAT & CHRONICLE
*SYRACUSE POST-STANDARD

*Syracuse Herald is available, as an additional or alternative newspaper in Syracuse. The Group rate with both Syracuse newspapers is \$2.10.

Seranton Scrantonian also available as optional member. Group rate, one Syracuse paper, \$2.05; two Syracuse papers, \$2.25.

CIRCULATION . . 821,856
LINE RATE \$1.90

NEW ENGLAND GRAVURE GROUP

BOSTON HERALD
HARTFORD COURANT
PROVIDENCE JOURNAL
SPRINGFIELD UNION REPUBLICAN

CIRCULATION . . 392,132
LINE RATE \$1.30

PACIFIC COAST GRAVURE GROUP

LOS ANGELES TIMES
PORTLAND JOURNAL
SAN FRANCISCO CHRONICLE
SEATTLE TIMES

CIRCULATION . . 795,922
LINE RATE \$2.05

SOUTHERN GRAVURE GROUP

ATLANTA JOURNAL
BIRMINGHAM NEWS & AGE-HERALD
DALLAS NEWS
FORT WORTH STAR-TELEGRAM
HOUSTON CHRONICLE
KNOXVILLE NEWS-SENTINEL
MEMPHIS COMMERCIAL APPEAL
NEW ORLEANS ITEM-TRIBUNE

CIRCULATION . . 838,873
LINE RATE \$2.65

tion of which went into the coffers of the *New York News*, *Chicago Tribune*, *Philadelphia Inquirer*, *New York Times*, and the *New York Herald Tribune*.

Though the higher rates demanded for colorgravure explain, in some degree, the dollar volume it has attained, part of the credit for the increase should go to improved methods of printing, which, though they affect both monotone and color, have been most effective in bringing into the fold new and larger uses of colorgravure.

Thus far, colorgravure has been available through Metropolitan, but not the other selling groups. According to Mr. Daniel E. Moran, Jr., president of the Gravure Service Corp., that organization will offer colorgravure in 1938 in all its groups, including the new Southern group.

At present the printing of 75% of the rotogravure sections of American newspapers is in the hands of three companies: Alco Gravure Corp. (29 papers); Art Gravure Corp. (16 papers); Neo Gravure Co. (4 papers). Eleven U. S. newspapers (including the *New York Daily News*) print their own gravure sections.

In the opinion of J. E. Hazel, plant manager (in New York) of the Art Gravure Corp., the greatest recent improvement in rotogravure production, in both monotone and color, has been the speeding up of the printing process, the former figure of 6,000 to 8,000 cylinder revolutions per hour having been increased to 15,000 to 20,000 revolutions.

Orchids to Kimberly-Clark

"With the improved presses of today," said Mr. Hazel, "you rarely see off-register rotogravure printing. Materials and equipment have been improved, too. Inks are immeasurably better—more brilliant and faster-drying. Steam drying, which was necessary with the old type of ink, used to cause shrinkage; this has been eliminated by the fast-drying inks we now use. Rotogravure paper is better, too; it is processed on both sides, and its color is much improved."

To Kimberly-Clark Corp. should go much of the credit for winning and holding advertisers and agencies to the use of rotogravure. That company's sponsorship of the Gallup surveys, which showed that gravure has three and one-half times the drawing power of black-and-white, continues to exert a strong influence on buyers of both local and national advertising. But Kimberly-Clark has not relied on the Gallup surveys to keep advertisers "sold" on rotogravure. Through a

4-Year March of Rotogravure†

In 1933 there were 59 gravure sections in 43 cities.

In 1933 circulation was divided:

(a) "Organized" (3 groups)	
with	7,062,000
(b) "Unorganized" with...	4,962,000
Total	12,024,000

In 1933, "Organized" gravure circulation of 28 papers in 25 cities was divided:

(a) Metropolitan Sunday Newspapers—	
10 papers	4,492,000
(b) Midwest Group—	
10 papers	1,527,000
(c) New York and New England Group—	
8 papers	1,043,000
Total (3 Groups) ..	7,062,000

In 1933 "Unorganized" gravure had 31 papers in 26 cities, with a circulation of 4,970,000.

On September 5 of this year there will be 62 gravure sections in 49 cities.

Today circulation is divided:

(a) "Organized" (6 groups)	
with	13,005,996
(b) "Unorganized" with...	2,262,166
Total	15,268,162

Today "Organized" gravure circulation of 47 papers in 39 cities is divided:

(a) Metropolitan Sunday Newspapers—	
11 basic papers	7,089,155
18 (basic, plus 7 alternates)	8,869,629
(b) Midwest—12 papers ..	2,321,891
(c) New England—4 papers	392,132
(d) Empire State—5 papers	880,406
(e) Pacific Coast—4 papers	817,690
(f) Southern—8 papers....	838,873
Total	*13,005,996

Today "Unorganized" gravure has 14 papers in 13 cities, with a circulation of 2,262,166.

†Source: Standard Rate and Data, June, 1937.

*Four papers are members of two groups. Their circulations and rates are included only once in order to obtain an accurate total.

consistent advertising campaign prospective advertisers have been reminded again and again of rotogravure's 3½ to 1 advantage.

The backbone of the campaign is a series of four-page brochures, each of which contains a reproduction of a rotogravure advertisement which actually appeared in a newspaper, and facing it, a testimonial as to its effectiveness from the advertiser or agency. The first page of each brochure plays up the 3½ to 1 ratio theme, frequently using multiples, as, for example, through a photograph of seven gloved hands under the headline, "There are 7 to the pair in rotogravure"; and, in another instance, "There are 56 ounces to the pound in rotogravure," illustrated appetizingly by a picture of loose candy on a Toledo scale.

The last page of the brochure always shows, through a photograph, a person performing some every-day task in an outmoded manner: A tired-looking woman bending over a wash-tub; a girl toasting a slice of bread on the end of a fork; or a man working by candlelight at an old-fashioned ledger, with a quill pen. For these pages, some version of the "You can do it better the modern way" headline is used, and copy always stresses the modern quality of rotogravure advertising. Selling efforts are not confined to newspaper gravure. The advantages of roto for sales literature

are described in some of the brochures, a typical bit of copy reading thus: "In preparing supplementary advertising—booklets, catalogs, and broadsides—use rotogravure . . . for the same reason that advertisers use the rotogravure sections of newspapers. . . . It arouses reader interest . . . presents products perfectly . . . and is unusually economical when printed in quantity. . . ."

Testimonials quoted in the brochures are both definite and enthusiastic. Here are excerpts from some of them:

From E. J. Poag, director of merchandising advertising, Dodge Division, Chrysler Corp.: ". . . It was this same line of reasoning (the value

(Continued on page 71)

* Rotogravure printing of calendars, house-organs, catalogs, package enclosures, envelope stuffers, broadsides, and other types of sales literature, has made rapid strides in the last few years, having advanced to the point where Art Gravure Corp.—whose experience is probably typical—devotes approximately half its production capacity to this work. Department stores, in particular, are using enormous quantities of rotogravure, not only for mailing, but for distribution at various points within the stores. Some of the larger establishments are said to use fresh supplies of roto literature almost daily. Tire manufacturers and other companies with wide distribution necessitating large quantities of sales literature are also big-scale users of rotogravure, as are the chain store organizations.

SALES MANAGEMENT



A WINNER—*Just the Same!*

Detroit Breaks Tape for a 27% Gain!

You can't keep a good man down—or hold Detroit back. Labor disputes loomed large on the front page, but meanwhile Detroit's been moving . . . and buying . . . at a 1929 gait.

During the past six months all important business factors in Detroit showed an improvement over corresponding months of 1936. The average increase was 27%. Below are three new marks:

For your share in this active market, you need The Detroit News. Its coverage? The largest in the Detroit trading area and concentrated where incomes are high! It takes you into the homes where most of Detroit's buying is done . . . it takes you right in because 76% of its entire city circulation is home delivered.

Complete statistics are yours for the asking.

- Automobile Production JUMPED 12%
- Industrial Employment JUMPED 17%
- Department Store Sales JUMPED 21%

The Detroit News

New York, I. A. KLEIN, Inc.

THE HOME NEWSPAPER

Chicago, I. E. LUTZ

AUGUST 15, 1937

[51]

Swing to Spot Radio Stations Brings 8 National Ads Daily

Part II of an analysis in two parts of how national advertisers spent their spot radio dollars during the first quarter, 1937, based on reports of Publishers' Information Bureau.

What Are the Most Popular Stations for Spot Programs?

(From Reports of Publishers' Information Bureau)

NEW ENGLAND

Station	City	Number of Advertisers	Number of Programs
<i>Maine</i>			
WCSH	Portland	17	578
WLBZ	Bangor	9	283
WRDO	Augusta	2	54
<i>Rhode Island</i>			
WEAN	Providence	32	1054
<i>New Hampshire</i>			
WFEA	Manchester	11	472
WLNH	Laconia	4	89
<i>Vermont</i>			
WNBX	Springfield	4	104
<i>Connecticut</i>			
WBRY	Waterbury	7	265
WDRC	Hartford	6	60
WICC	Bridgeport	32	1002
WTIC	Hartford	62	1948
<i>Massachusetts</i>			
WAAB	Boston	11	293
WBZ-WBZA..	Boston	62	2458
WCOP	Boston	6	495
WEEI	Boston	33	2861
WLLH	Lowell	11	443
WMAS	Springfield	12	626
WNAC	Boston	66	2211
WNBH	New Bedford	11	468
WORC	Worcester	19	777
WSAR	Fall River	11	468
WTAG	Worcester	29	930
<i>MIDDLE ATLANTIC</i>			
<i>New York</i>			
WABC	New York City....	4	1011
WEAF	New York City....	8	534
WEVD	New York City....	3	52
WGR	Buffalo	32	786

(Continued on page 54)

THE 167 radio stations which report their "national" time sales to Publishers' Information Bureau sold \$3,768,763 worth to 734 companies during the first quarter of this year. This means an average monthly expenditure by advertisers of \$1,712, an average monthly "take" of the stations of \$7,520. This station figure does not, of course, include revenue from time sales to local advertisers or their payment for network programs carried.

The 167 stations collectively report sales during the quarter to 3,178 advertisers, an average of 19 per station. Since 734 advertisers were listed, this means that the average advertiser had between four and five stations on his list. The 25 largest spot advertisers, as reported in SALES MANAGEMENT August 1, used 665 stations, or an average of nearly 27.

During the quarter the 167 stations carried 120,148 programs for national advertisers. These ranged from short announcements up to one hour.

The average advertiser used:
164 programs during the quarter
35 programs per station per quarter
12 programs per station per month

The average station carried:
719 national spot programs per quarter
240 national spot programs per month
8 national spot programs per day

The 25 stations leading in number of national spot programs carried were paced by KMOX, St. Louis, with 3,599, and WBBM, Chicago, with 3,566. This means an average of 40 daily.

Stations carrying from 24 to 37 national spot programs daily were WCCO, Minneapolis; WEEI, Boston; WBZ, Boston; WIBW, Topeka; WOR, Newark; KDKA, Pittsburgh; WNAC, Boston; WMCA, New York, and WCAE, Pittsburgh.

A table on page 54 gives the number of programs, and the ranking of the 25 stations leading in number of national spot programs carried.

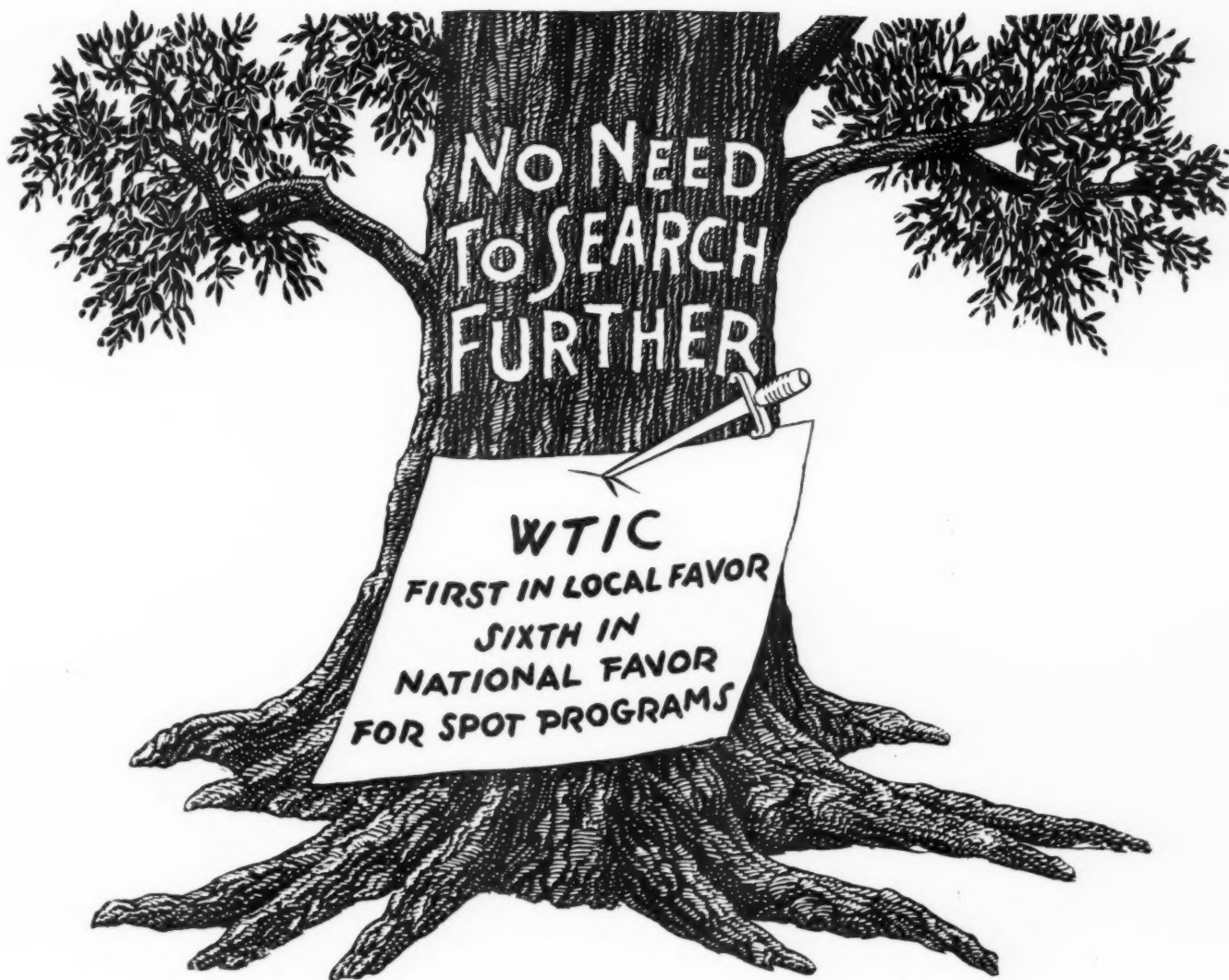
Sectional leaders among the stations were:

Number of Advertisers

New England

1. WNAC, Boston..... 66
2. WTIC, Hartford..... 62
3. WBZ, Boston..... 62

SALES MANAGEMENT



Here's a message of real interest for National Advertisers. Statistics show that 62 National Advertisers used WTIC for spot radio programs during the first quarter of 1937, giving WTIC sixth place in America. Statistics also show that these National Advertisers secured an average of 149% more coverage in the Hartford market than those using the second station. No wonder sales-minded advertisers are placing more and more programs with WTIC.

24% more families own radios in the Hartford market than in the country at large. Equally important, Government figures show that the WTIC market of Connecticut, western New York, eastern Massachusetts, Vermont and New Hampshire has 15% more spendable income, 23% more retail sales, and 50% more food sales per capita than the national average. That's why smart advertisers are cultivating the close to 4,000,000 rich and easily reached prospects in WTIC's primary and secondary coverage areas.

Write today for our new 32 page brochure giving full details on the Ross Federal Survey and facts about the WTIC billion dollar market.

WTIC

50,000 WATTS HARTFORD, CONN.

The Travelers Broadcasting Service Corporation

Member NBC Red Network and Yankee Network

Paul W. Morency, General Manager

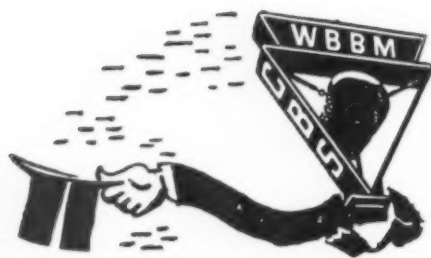
James F. Clancy, Business Manager

National Representatives: Weed & Company

Chicago

Detroit

New York



HATS OFF TO KMOX ...says WBBM

● WBBM, 50,000 watt Chicago key station of the Columbia Broadcasting System, is currently saluting another CBS owned-and-operated station, KMOX, "The Voice of St. Louis," in tribute to KMOX's ranking as *first* in the United States in popularity with national spot advertisers. The top position of KMOX was revealed in Sales Management magazine's recent study of spot radio advertising (Sales Management, August 15). WBBM placed second to the KMOX first.

"Hats off to KMOX," said WBBM, "those boys in St. Louis must be doing a fine job for their advertisers . . . and, of course, their audience."

FIRST FOUR CBS

WBBM then made an additional point that the first four stations—KMOX, WBBM, WCCO, and WEEI—are all managed and operated by the Columbia Broadcasting System, indicating the power of CBS programming as an aid in building the local leadership on which national spot selections are usually determined. "But before you go," WBBM proceeded, donning its hat again, "let's emphasize one more point, at the risk of seeming competitive."

Second place wins FIRST PRIZE

"Although we show up second in the national rankings, we feel that our close second is quite a tribute in itself, because it means . . ." here WBBM rose and pointed a figurative finger for emphasis, "it means that WBBM is the first choice of national spot advertisers in the Chicago area . . . that as far as this rich area is concerned, WBBM's second place wins first prize. Just note that in the Sales Management rankings, no other Chicago station even got included in the first 25! That's how we lead in the nation's second largest market. And what a market!" said WBBM, shouting this time.

Middle Atlantic		
1.	WOR, Newark	101
2.	KDKA, Pittsburgh	67
3.	WGY, Schenectady	63

South Atlantic		
1.	WBT, Charlotte	55
2.	WRVA, Richmond	42
3.	WJAX, Jacksonville	38

East North Central		
1.	WTAM, Cleveland	43
2.	WLS, Chicago	43
3.	WWJ, Detroit	42

East South Central		
1.	WSM, Nashville	49
2.	WHAS, Louisville	28
3.	WAPI, Birmingham	27

West North Central		
1.	WCCO, Minneapolis	69
2.	KSTP, Minn.-St. Paul	58
3.	KMOX, St. Louis	54
4.	WIBW, Topeka	54

West South Central		
1.	WKY, Oklahoma City	48
2.	WOAI, San Antonio	46
3.	KWKH, Shreveport	30

Mountain		
1.	KOA, Denver	45
2.	KLZ, Denver	30
3.	KDYL, Salt Lake City	18

Pacific		
1.	KNX, Los Angeles	38
2.	KGO, San Francisco	28
3.	KJR, Seattle	26

Number of National Spot Programs

New England		
1.	WEEI, Boston	2861
2.	WBZ, Boston	2453
3.	WNAC, Boston	2211

Middle Atlantic		
1.	WOR, Newark	2349
2.	KDKA, Pittsburgh	2229
3.	WMCA, New York	2176

South Atlantic		
1.	WRVA, Richmond	1885
2.	WBT, Charlotte	1729
3.	WQAM, Miami	1697

East North Central		
1.	WBBM, Chicago	3566

2.	WWJ, Detroit	1618
3.	WHIO, Dayton	1598

East South Central		
1.	WHAS, Louisville	1542
2.	WSM, Nashville	894
3.	WOPI, Bristol	735

West North Central		
1.	KMOX, St. Louis	3599
2.	WCCO, Minneapolis	3392
3.	WIBW, Topeka	2378

West South Central		
1.	WKY, Oklahoma City	1558
2.	WOAI, San Antonio	1395
3.	KWKH, Shreveport	1239

Mountain		
1.	KOA, Denver	1459
2.	KLZ, Denver	1086
3.	KFBB, Great Falls	968

Pacific		
1.	KNX, Los Angeles	1343
2.	KJR, Seattle	988
3.	KFBK, Sacramento	734

What Are the Most Popular Stations for Spot Programs?

(Continued from box on page 52)

MIDDLE ATLANTIC—Cont.

New York—Cont.

Station	City	Number of Advertisers	Number of Programs
WGY	Schenectady	63	1980
WIBX	Utica	8	163
WJZ	New York City	9	323
WKBW	Buffalo	13	284
WMCA	New York City	42	2176
WMEF	Plattsburg	5	150
WSYR			
WSYU	Syracuse	38	1362

New Jersey			
WOR	Newark	101	2349
WPG	Atlantic City	5	225

Pennsylvania			
KDKA	Pittsburgh	67	2229
KYW	Philadelphia	30	740
WCAE	Pittsburgh	53	2113
WGBI	Scranton	17	784
WHP	Harrisburg	23	777
WRAC	Williamsport	4	168
WWSW	Pittsburgh	3	201

25 Most Popular Stations Based on Number of Sponsored Spot Programs by National Advertisers, First Quarter—1937

(Based on Publishers' Information Bureau Figures)

Programs	Station	City	Rank	Programs	Station	City	Rank
3,599	KMOX	St. Louis	1	1,948	WTIC	Hartford	13
3,566	WBBM	Chicago	2	1,885	WRVA	Richmond	14
3,392	WCCO	Minneapolis	3	1,729	WBT	Charlotte	15
2,861	WEEI	Boston	4	1,702	KSTP	Minn.-St. Paul	16
2,458	WBZ	Boston	5	1,697	WQAM	Miami	17
	WBZA			1,618	WWJ	Detroit	18
2,378	WIBW	Topeka	6	1,598	WHIO	Dayton	19
2,349	WOR	Newark	7	1,561	WPTF	Raleigh	20
2,229	KDKA	Pittsburgh	8	1,558	WKY	Oklahoma City	21
2,211	WNAC	Boston	9	1,542	WHAS	Louisville	22
2,176	WMCA	New York	10	1,478	KWTO	Springfld, Mo.	23
2,113	WCAE	Pittsburgh	11		KGBX		
1,980	WGY	Schenectady	12	1,460	WTAM	Cleveland	24
				1,459	KOA	Denver	25

Station	City	Number of Advertisers	Number of Programs
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SOUTH ATLANTIC

<i>Maryland</i>			
WTBO	Cumberland ..	5	248
<i>District of Columbia</i>			
WJSV	Washington ..	36	1282
WMAL	Washington ..	10	546
WOL	Washington ..	5	228
WRC	Washington ..	30	1287
<i>Virginia</i>			
WDBJ	Roanoke	28	1296
WGH	Newport News ..	12	654
WPBR	Petersburg	2	72
WRVA	Richmond	42	1885
WSVA	Harrisburg	5	230
<i>West Virginia</i>			
WHIS	Bluefield	7	286
WWVA	Wheeling	18	605
<i>North Carolina</i>			
WBT	Charlotte	55	1729
WPTF	Raleigh	37	1561
<i>South Carolina</i>			
WFBC	Greenville	16	849
WIS	Columbia	31	1139
<i>Georgia</i>			
WMAZ	Macon	14	346
WTOG	Savannah	15	561
<i>Florida</i>			
WCOA	Pensacola	7	309
WDBO	Orlando	14	585
WJAX	Jacksonville ..	38	1344
WMBR	Jacksonville ..	2	3
WQAM	Miami	30	1697

EAST NORTH CENTRAL

<i>Ohio</i>			
WBNS	Columbus	32	1043
WHIO	Dayton	40	1598
WKRC	Cincinnati	31	1157
WSPD	Toledo	38	1213
WTAM	Cleveland	43	1460
<i>Indiana</i>			
WFAM	South Bend	9	308
WGBT	Fort Wayne	34	536
WGL	Gary	22	812
WIND	Muncie	2	115
WLBC	Fort Wayne	28	644
WOWO	South Bend	2	15
WSBT	South Bend	2	15
<i>Illinois</i>			
WBBM	Chicago	37	3566
WCBS	Springfield	2	59
WCFL	Chicago	12	670
WENR	Chicago	23	501
WHBF	Rock Island	2	77
WJJD	Chicago	7	77
WLS	Chicago	43	1156
WMAQ	Chicago	38	885
WMBD	Peoria	27	950
WTMV	E. St. Louis	4	192
<i>Michigan</i>			
WBCM	Bay City	1	16
WELL	Battle Creek	6	214
WIBM	Jackson	17	1118
WJR	Detroit	38	1163
WOOD	Grand Rapids	24	968
WASH	Detroit	42	1618
WWJ	Detroit	42	1618
<i>Wisconsin</i>			
KFIZ	Fond du Lac	4	61
WCLO	Janesville	8	257
WHBY	Green Bay	2	75
WIBA	Madison	22	617
WKBH	La Crosse	6	146
WRJN	Racine	6	226
WTAQ	Green Bay	9	450

EAST SOUTH CENTRAL

<i>Kentucky</i>			
WAVE	Louisville	6	132
WHAS	Louisville	28	1542
<i>Tennessee</i>			
WDOD	Chattanooga	6	183
WHBQ	Memphis	2	89
WLAC	Nashville	16	464
WOPI	Bristol	7	735
WROL	Knoxville	7	468
WSM	Nashville	49	894

AUGUST 15, 1937

Station	City	Number of Advertisers	Number of Programs
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Alabama

WAPI Birmingham .. 27 596

Mississippi

WAML Laurel 2 54

WEST NORTH CENTRAL

Minnesota

KSTP Minn.-St. Paul 58 1702
WCCO Minneapolis .. 69 3392
WTCN Minneapolis .. 33 1025

Iowa

WKBB Dubuque 2 52

Missouri

KFRU Columbia 13 512
KGBX Springfield ... 1 16
KMOX St. Louis 54 3599
KWK St. Louis 15 371
KWTG-KGBX Springfield ... 21 1478

South Dakota

KABR Aberdeen 1 43

Kansas

KGGF Coffeyville ... 11 507
WIBW Topeka 54 2878

WEST SOUTH CENTRAL

Louisiana

KTBS Shreveport ... 8 242
KWKH Shreveport ... 30 1239

Oklahoma

KOMA Oklahoma City 7 105
WKY Oklahoma City 48 1558

Texas

KPRO Longview 1 13
KFYO Lubbock 7 215
KGBK Tyler 2 64
KGNC Amarillo 14 348
KIUN Pecos 1 92
KTAT Fort Worth 11 500
KTSM El Paso 13 404
WACO Waco 4 140
WOAI San Antonio .. 46 1595

IN SYRACUSE

"A Great Spot Market"

It's WSYR

3 to 1

This leadership in Spot volume over competition is an ALL-TIME HIGH RECORD here.

WSYR

"Syracuse's Fastest Growing Medium"

Station	City	Number of Advertisers	Number of Programs
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MOUNTAIN

Montana

KFBB Great Falls .. 16 968
KGCX Wolf Point .. 1 70
KGVO Missoula 8 605

Idaho

KIDO Boise 4 249

Wyoming

KWYO Sheridan 2 9

Colorado

KFEL-KVOD Denver 8 290
KFKA Greeley 4 156
KLZ Denver 30 1086
KOA Denver 45 1489

Arizona

KTAR Phoenix 17 790

Utah

KDYL Salt Lake City 18 432

1ST IN Florida

Blazing radio trails in Florida since 1921 . . . complete coverage, community service, personality programs and results for advertisers have made WQAM the leading station.

MIAMI BROADCASTING CO.

Coverage!

Showmanship!

Organization!

1000 W

WQAM

560 kc

World's Wealthiest
Winter Audience . . .

Florida's Greatest
Year-round Market . . .

RESERVE TIME NOW!

CBS-MIAMI



Trump it—with advertising playing cards, carrying your sales message, trademark, or lifelike illustration of your product, sold in quantities from only 50 packs up.

A Coal Company with our inexpensive loan plan reaches 10,000 prospects a month, using an average of 100 packs of cards a month.

Write on your business stationery for FREE booklet "The Winning Hand"—ways of using advertising playing cards to increase your business.

Headquarters for Advertising Playing Cards



BROWN & BIGELOW
Remembrance Advertising
QUALITY PARK — ST. PAUL, MINN.

The **SCHELBRO** Sales Coach



"PAY THEIR OWN WAY"

"Field men get more attention, fewer interruptions, make better demonstrations, close twice as many dealers" . . . writes a leading washing machine manufacturer after a few months' experience with a SCHELBRO fleet.

Only makers of Commercial coaches exclusively. SCHELBRO Sales Engineers have improved the Selling Methods of hundreds of manufacturers, wholesalers and retailers in over 40 lines of industry.

WRITE FOR CATALOG AND QUOTATIONS

SCHELM BROS., Inc. Peoria, Illinois

Interior view of PHILGAS Coach shown below (Phillips Petroleum Co.)



Station	City	Number of Advertising	Number of Programs
PACIFIC			
<i>Washington</i>			
KOH	Reno	9	260
KFPY	Spokane	8	137
KIRO	Seattle	4	178
KJR	Seattle	26	988
KOL	Seattle	14	451
KOMO	Seattle	17	706
KUJ	Walla Walla	2	118
KXRO	Aberdeen	6	183
<i>California</i>			
KDON	Monterey	1	23
KEHE	Los Angeles	5	430
KERN	Bakersfield	7	181
KFBK	Sacramento	21	734
KFI	Los Angeles	20	267
KFXM	San Bernardino	15	318
KGO	San Francisco	28	571
KHSL	Chico	9	503
KJBS	San Francisco	10	328
KMJ	Fresno	8	454
KNX	Los Angeles	38	1343
KPO	San Francisco	6	228
KQW	San Jose	14	440
KWG	Stockton	5	71
KYA	San Francisco	10	228

Are There Other Good Spot Radio Stations?

The first installment of the radio survey, appearing in SALES MANAGEMENT on August 1, pointed out that the analysis was based on the figures of 167 stations which report monthly data on spot advertising to the Publishers' Information Bureau. And the statement was made, "these include practically all of the major stations, although there are several outstanding exceptions where owners have not chosen to release information. It is believed by competent radio advertising men that the Publishers' Information Bureau totals represent well over 85% of the spot time investments of national advertisers."

From Martin B. Campbell, general manager of Station WFAA, Dallas, comes the following protest:

"The survey clearly states that the analysis is based entirely on reports of Publishers' Information Bureau, but inasmuch as it gives a definite 'popularity ranking' without specifically naming stations whose data were not available to the Bureau, it places these stations in an unfavorable position. How can such stations as WLW, KFI, WCAU, KSD, WTMJ, WDAF, WHO, KGW, WGN, WSB, KPRC, and WFAA-WBAP, to name just a few at random, be omitted from any analysis that purports to show an accurate picture of popularity based on spot business?"

"Your article states that 'it is believed by competent radio advertising men that the PIB totals represent well over 85% of the spot time investments of national advertisers,' but that is a serious misstatement. You have only to check the authoritative

NAB figures for the same period to find that the \$3,768,763 volume listed for the 167 reporting stations actually represents less than 50% of the industry's national non-network (spot) volume for the first quarter of 1937!"

It is impossible to follow Mr. Campbell's further suggestion that in fairness to stations not mentioned in this analysis, the magazine should specifically name all the stations that are not reporting to PIB. This does not mean that SALES MANAGEMENT editors believe that stations which do not take the trouble to report to PIB should be relegated to the publicity dog-house for their negligence. Lack of space prevents the printing of all the names and, furthermore, there would not seem to be much point in printing the names when no information is available about the names or number of their national accounts.

The Cuckoo Space Buyer Who Has a "Position" Fixation

(Continued from page 32)

sort every week. One guy is positive, and when I say positive I mean positive, that his advertisement must be exactly here and nowhere else. The other guy is just as positive that nobody looks at that spot—"and don't put me there if you want a second insertion."

How does one go about developing a complex of that sort? And why does he? And how can any fellow smart enough to be the executive of a good-sized advertising agency get so hepped on such a controversial triviality that he'll put on an act that would do credit to a blonde in a witness chair?

Sincerely, I get bewildered. I just sit there marveling at the ease with which this chap develops his lather. If it weren't for the mercenary angle involved, I'd really enjoy watching the show—just like my grandfather who used to enjoy sitting out on his front porch during lightning storms.

I've given up trying to prove anything with the various "reader-interest" studies. "They're pretty," they'll agree, "but don't try to tell me how to sell cigars (or liquor, or toothpaste, or anchovies)."

One survey shows that only 30% of all men read sports news. I told that to Joe one time. He laughed. "Why, that's absurd—all men follow sports—you know that—we must be on a sports

SALES MANAGEMENT

page to sell cigars."

"I smoke cigars," I volunteered meekly.

"Well, don't you read the sports pages?"

"Frankly, Joe, no—I think they're dull. Do you?"

"Certainly!"

"Then who's welterweight boxing champion, if there is one?"

"Why-y-y-y—"

"Who plays third base for Cincinnati—if they're still in the National League, or is it the American?"

"Well, let's see—"

"Name the members of our polo team—or are they the chukkers?"

"Wait a minute—what are you driving at?"

"Just this, you preposition misplacer, you can't prove any relation between cigar-smoking and studying the daily activities of a bunch of professional strongmen. My 18-year-old office boy is a walking encyclopedia on things baseball (although he can't remember the initials of our vice-president), but he's no prospect for you. He couldn't afford a cigar even if he could stomach it.

"Hero-worshippers are predominantly younger men. Every high school contains males who know the touchdown records of halfbacks across the country, but their fathers couldn't tell a halfback from a touchdown.

"This survey shows that two out of every three men pay little or no attention to sports pages. I'll bet you a ticket to the next World Series (although I'd rather see a good show, myself) that those two that you miss are better cigar prospects than the one that you catch. They're older, their incomes are better and cigars are more essential to enjoyable leisure. So why go to such lengths to avoid your best prospects?"

This would make a better story if it had a better ending. But Joe just sort of looked blank for a moment, coughed a bit, rattled a few papers and then said, "Well, just remember that unless we get what we want you'll get something you don't want. If you can't give us sports page, somebody else can. We're not going to let any paper toss our copy around and you can tell Tom that! So long."

Pardon me while I bite a desk.

Organization News

Davenport

The Sales Managers Bureau of the Davenport, Iowa, Chamber of Commerce, has been admitted to membership in the National Federation of Sales Executives. The Bureau's roster lists 47 active members.

AUGUST 15, 1937

Wilkes-Barre

Ralph Beers, of W. D. Beers, Inc., was recently elected president of the Sales Executives Bureau of the Wilkes-Barre Wyoming Valley Chamber of Commerce. Ben L. Jenkins, president, Standard Equipment Co., was chosen vice-chairman of the Bureau, and B. G. Crandall remains secretary and treasurer.

Boston

September 20-21 is the date selected for the Ninth Annual Boston Conference on Distribution, to be held at the Hotel Statler, there. An interesting and informative

program has been prepared, and conference officials expect an attendance of over 500 major executives from all parts of the country.

Fort Worth

At the last meeting of the Fort Worth Sales Managers Club, V. G. Griffing, Armour & Co., spoke on "Characteristics a Successful Salesman Must Have"; J. W. Shugart, Waples Platter Co., gave a talk on "Points to Remember When Hiring Men"; and George W. Brown, Southwestern Drug Corp., spoke on "What I Look for in a Salesman."



CUT SALESMEN'S MILEAGE COSTS to 3 1/3c.

In many cases savings of one-third to one-half your present costs result when R. A. Company Leasing Plan is adopted for fleet operation.

WHAT IS OUR PLAN:

By our assuming all items of service, maintenance and repairs of every kind and description, we lease nationally one or more Dodge, Plymouth and Chevrolet sedans or coaches at an annual rate so low that substantial savings are assured.

COST ANALYSIS:	Per month
Dodge	\$47.00
Plymouth & Chevrolet	45.00
Rental cost per year based on rate of \$45.00 per month	\$540.00

Based on 24,000 miles, the average yearly mileage of salesmen and 18 miles per gallon or 1c per mile for gas..... 240.00

Average fleet cost Public Liability and Property Damage insurance	30.00
	\$810.00

This total of \$810.00 divided by 24,000 miles gives you a total operating cost of .0337 cents per mile. As mileage increases, the cost per mile decreases because our rate remains standard. At 30,000 miles per year your cost would be .0290 cents per mile.

Our rate includes every item of expense incident to the operation of cars, except gasoline and Public Liability and Property Damage insurance which we do not furnish. The cost of these two items has been approximated, as above, based on our past wide experience. By adding these costs to our leasing charge we set forth what your actual cost per annum or per mile should be under our plan.

WHAT DOES OUR RATE INCLUDE:

A new car every 12 months. License plates in whatever states operated. Fire, theft and collision insurance. All repairs, mechanical or otherwise. Chains and anti-freeze. Oil and grease. Tire repairs and replacements. Replacement of cars without any additional cost if destroyed by fire, collision or otherwise. Purchase of your present equipment at fair appraisal value.

WHY SHOULD YOU BE INTERESTED?

Salesmen relieved of all worries and responsibilities prevalent with personally owned cars. Corporations relieved of necessity of maintaining costly service garages. You have no capital investment. You have new cars every year, minimizing accidents. You can estimate accurately your car costs a year in advance. Your cars always have a creditable appearance. Use of decalcomania permitted. No restrictions on mileage or use of car at any time. Let us discuss your car problems with you. We guarantee 100 per cent transportation. Complete references supplied.

The R. A. COMPANY
AUTOMOBILE LEASING NATIONALLY
SUITE 1018 CHANIN BLDG.
NEW YORK CITY
also PHILADELPHIA, PENNA.



A Challenge to Mr. Krasne

Editor, SALES MANAGEMENT:

Mr. Krasne's attitude on private brands and advertising reported in a recent issue shows the perfect chiseler's idea of doing business.

So he is going to push his private brands? What is he going to push them against and what is he going to push them with? What does Mr. Krasne use as his "pusher"? His definition of what he uses would be most edifying and certainly create an entirely new economic unit in the cycle.

We wonder how Mr. Krasne would like to start from scratch with no brand and no means of identification.

In fact we wonder what Mr. Krasne did with the little bit of advertising with which his own parents started him in the great, wide world. Yes, I mean the thing he calls his name, or "pusher." From the start he goes forward with his little

"pusher" in direct proportion to the qualities with which he is gifted.

If the "pusher" "Krasne" becomes known favorably as being industrious, aggressive, studious and capable, that immediately takes on a quality known as advertising and was paid for by Mr. Krasne through a medium known as "sweat," and by his competitors through a loss of trade termed "competition" and by his employees through a medium known as "wages."

And so Mr. Krasne is going to get rid of the cost of advertising, sell merchandise cheaper and get the business. Fine and dandy.

There are a few things that are always overlooked by the short-sighted. Time, economic principles, human nature and the intelligence of competitors. I am willing to concede Mr. Krasne a little time to get his plan into operation and to allow it to operate long enough to complete the cycle of production, transportation, distribution and consumption. It is the repetition of

this cycle that always gets the wrong thinker into trouble. That cycle is neither longer nor shorter than the units of which it is composed and cannot be changed until one of the units has been changed.

All right, Mr. Krasne, here is my challenge: Show me where you have permanently changed a single unit in this cycle, and boy, oh, boy, what an economic discovery you have made. With every apology I will most gladly remove the stigma of chiseler.

E. W. CUMMINGS,
Ubiko Milling Co.,
Cincinnati, Ohio.

Re: "Ceiling-Ad-Murals"

Editor, SALES MANAGEMENT:

There's nothing new under the sun . . . or on the ceiling of a barber shop.

The new brain child of George Durst, "Ceiling-Ad-Murals" (SM, July 1) is, to my personal knowledge, at least 19 years old. When I was in the Fort Sill School of Fire, in 1918, I patronized a barber shop in nearby Lawton (Okla.). The ceiling of this barber shop was well decorated with advertisements of haberdashers, meat markets, garages, grocery stores, fortune tellers and dealers in Indian relics.

Most restaurants, "sweet shops" and barber shops in small towns in this western country have their flashy murals, foxy menus and nifty panels carrying advertising copy. (I found a hotel in Sherman, Texas, where the chairs in the lobby flaunted five small ads, preserved under glass, in a scooped-out portion of each broad arm rest!) These novel ideas represent the brain children and handiwork of itinerant artists and "advertising experts." The owners of the establishments get little of the proceeds; the promoters usually get a meal ticket and enough money to pay a laundry bill, buy cigarettes and fare to the next town.

WILL S. HENSON,
Vice-President,
J. M. Colville & Son,
Dallas, Texas.

Farm Income, Gross or Net?

Editor, SALES MANAGEMENT:

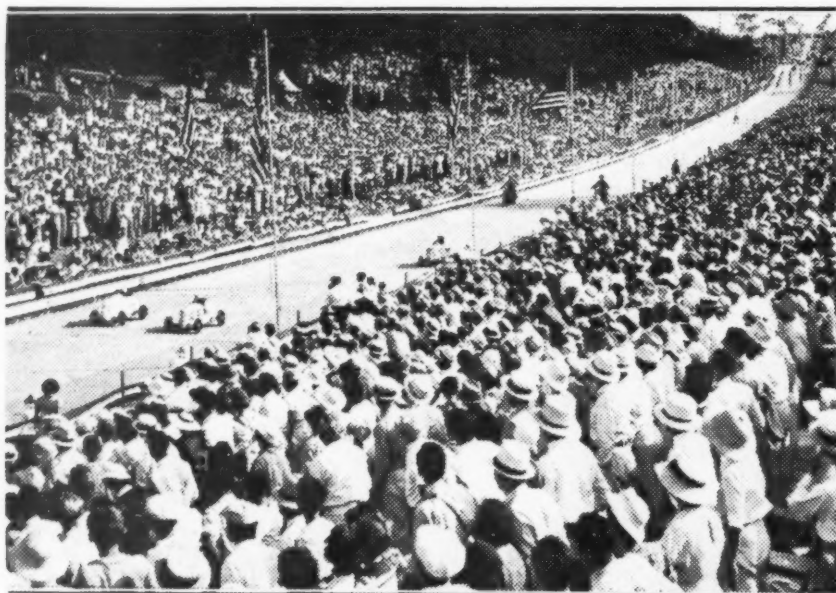
In the April 1, 1937, issue of SALES MANAGEMENT I read with great interest your article entitled "Taking Some of the Mystery Out of the Farm Market."

In reviewing this article recently a question occurred to me which I am sure you can answer. You have stated that in a study made by yourself in 1935 you reached the conclusion that an average city family to have the same standard of living as a farm family with \$1,000 cash income must have a minimum of \$1,600 a year. When you are considering a \$1,000 cash income for the farm is that net after figuring depreciation and interest on his entire investment which would include not only cost of land but machinery, barns, etc.? It would seem to me that if you have not calculated these costs, then a considerable portion of the \$1,000 cash income would be absorbed by these expenses if proper accounting were made.

B. L. PALM,
Sales Manager,
Northwestern Public Service Co.,
Huron, S. D.

(We are glad to have the question which you raised in your letter, Mr. Palm. The answer is that the farm income considered was the net income, that is, after deducting all expenses of farm operation.—THE EDITORS.)

SALES MANAGEMENT



Part of the Thousands who thronged "Derby Downs" for the 1936 Soap Box Derby.

The POWER of THIS NEWSPAPER

—to draw 100,000 people to the 1936 Soap Box Derby.

—to contribute so materially to the success of this fine wholesome junior classic is clearly shown in the above picture.

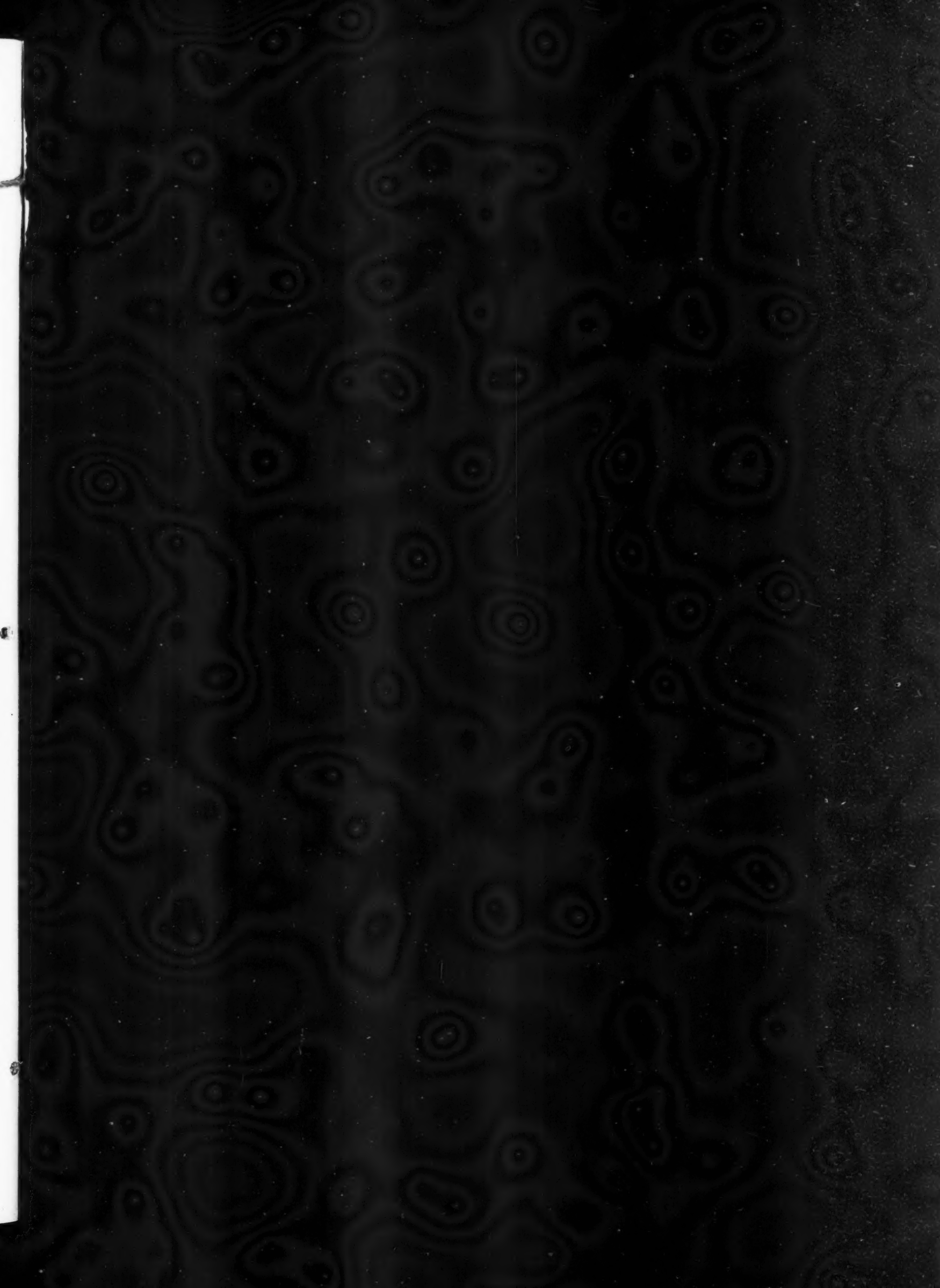
To be selected by the Chevrolet Motor Car Company as the newspaper to handle the National and International Soap Box Derbies of 1937.

All of this is a source of great pride and gratification.

AKRON BEACON JOURNAL

Established 1839

ONE OF AMERICA'S OUTSTANDING EVENING NEWSPAPERS





When Nature Lacks Color—



OUTDOOR ADVERTISING SUPPLIES IT

Your graphic, colorful outdoor advertising message merits attention now when all the world is green and colorful. It will win even *more* attention when winter comes and nature lacks color, for *then* outdoor advertising supplies color in sales messages with an irresistible appeal to the passing throng. Now is the time to plan outdoor advertising for January as you planned for May . . . because this *great outdoor medium*, like "the great outdoors" itself, beckons to people all year round!

Write for our interesting booklet, "You Will Love Me in December," describing the modern trend in outdoor advertising.

OUTDOOR ADVERTISING INCORPORATED

60 EAST 42nd STREET—NEW YORK

ATLANTA • BALTIMORE • BOSTON • CHICAGO • CLEVELAND • DETROIT • HOUSTON
PHILADELPHIA • ST. LOUIS • LOS ANGELES • SAN FRANCISCO

AUGUST 15, 1937

[59]

Bull

AMERICAN BUILDER and
BUILDING AGE, Chicago

BAKERS WEEKLY, New York

BLAST FURNACE and STEEL PLANT,
Pittsburgh

BOOT and SHOE RECORDER, New York

BUILDING SUPPLY NEWS, Chicago

CHEMICAL and METALLURGICAL
ENGINEERING, New York

COAL AGE, New York

FOOD INDUSTRIES, New York

THE FOUNDRY, Cleveland

RESTAURANT MANAGEMENT,
New York

THE IRON AGE, New York

THE JEWELERS' CIRCULAR-KEYSTONE,
New York

LAUNDRY AGE, New York

MACHINE DESIGN, Cleveland

MACHINERY, New York

NATIONAL PETROLEUM NEWS,
Cleveland

THE NATIONAL PROVISIONER,
Chicago

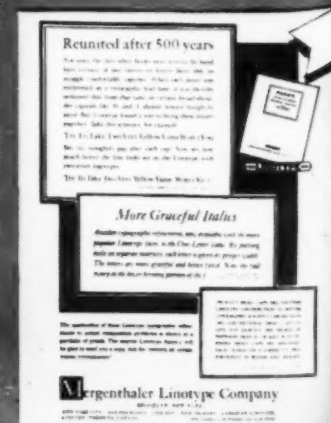
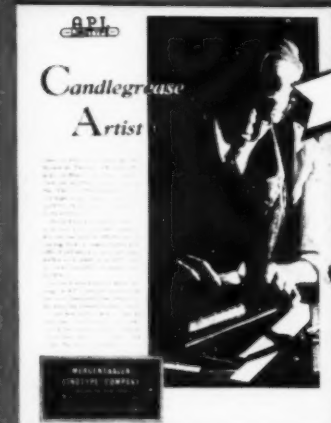
THE PAPER INDUSTRY, Chicago

POWER, New York

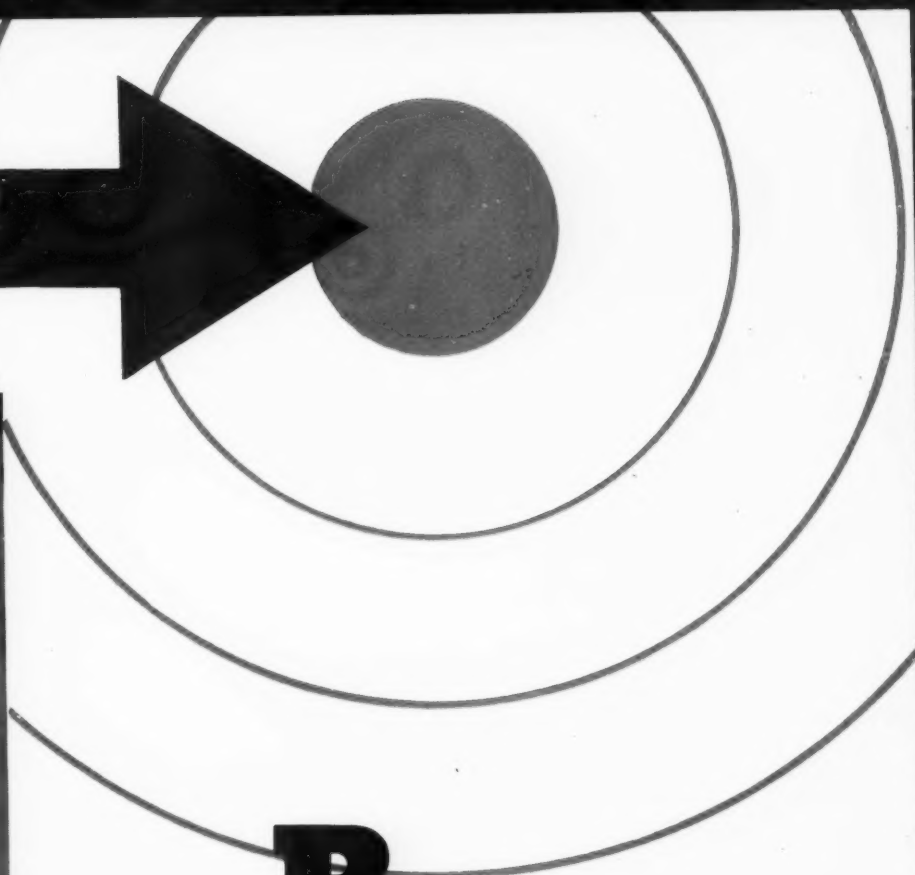
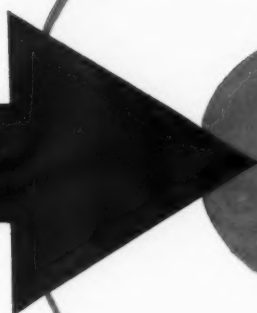
RAILWAY ELECTRICAL ENGINEER,
New York

SALES MANAGEMENT, New York

STEEL, Cleveland



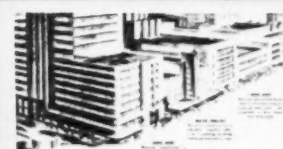
Bull's-Eye



REVERE SHOWERS OF ACID

A dramatic scene of a person being engulfed in flames, with the text 'REVERE SHOWERS OF ACID' overlaid.

Revere Copper and Brass



DEVECON
for the new world

Revere Copper and Brass advertisement featuring a large industrial building and the text 'DEVECON for the new world'.

Revere Copper and Brass



REVERE COPPER AND BRASS

Revere Copper and Brass



REVERE COPPER AND BRASS

Revere Copper and Brass



B

USINESS papers are sharp-shooting

media. Through them, you can aim your message at definite targets: Markets . . . industries . . . segments of industries, each with its own peculiar needs, problems, prejudices and trade relationships. You can talk to each in its own particular language. You don't have to generalize. You can be almost as specific as though you were talking to each prospect individually—because your readers are classified into homogeneous groups.

Three examples of industrial bull's-eye advertising are shown here. Each of these advertisers sharp-shoots from six to seventeen different kinds of prospects with specialized copy . . . and with an effectiveness that could never be attained by shot-gun coverage.

Harry Eckhardt
PRESIDENT

KENYON & ECKHARDT INC., 247 Park Ave., N. Y.

Would the FTC's "Purge" for Advertising Cure the Patient or Kill It?

BY CLARENCE F. LEA

Chairman, House Committee on Interstate and Foreign Commerce



Harris & Ewing

I SHALL discuss Senate Bill 1077 to amend the Federal Trade Commission Act, as revised and reported by the Interstate and Foreign Commerce Committee of the House.

Outside of procedural amendments and one fixing a civil penalty for violations of orders of the Commission, the principal amendments proposed to the existing provisions of the Act would make "unfair or deceptive acts or practices in commerce" unlawful.

New sections proposed relate to false advertisements of foods, drugs, devices and cosmetics. The disseminations of false advertisements to induce the purchase thereof are prohibited, where another amendment would permit the Commission, where the "interest of the public" would be served thereby, to apply to the court for an injunction restraining the dissemination of the false advertisement.

If the false advertisement is to in-

duce the purchase of a commodity injurious to health, or is disseminated with the intent to defraud or mislead, it is a misdemeanor punishable by criminal action.

The Federal Trade Act has not been amended since its passage in 1914. It was an innovation in the relation of business and government at that time. Its enactment was a recognition of widespread, unfair methods in commerce for which it sought a remedy outside of the criminal law.

A procedure was adopted for the Federal Trade Commission looking towards the prevention, rather than the penalization, of unfair trade practices, particularly such practices when free from the grosser forms of imposition on the public. The accused business man was to be warned to cease and desist; and on compliance with such warnings, proceedings against him were dropped. In case he persisted in refusing to comply with the orders of the Commission he was not then to be penalized until the unlawfulness of his act was established by the court passing upon the orders of the Commission. Violation of the court orders could be proceeded against for the purpose of penalizations.

Purposes of the Act

President Wilson in recommending this procedure to Congress declared that "nothing hampers business like uncertainty. Nothing daunts or discourages it like the necessity to take chances to run risk of falling under condemnation of the law before it can make sure just what the law is." Referring to business men the President further stated, "they desire the advice, the definite guidance and information which can be supplied by an administrative body, an interstate trade commission."

The President further referred to the Commission as being an instrument, "after doing justice to business

where the processes of the courts or the natural forces of correction outside of the courts are inadequate to adjust the remedy to the wrong in a way that will meet all the equities and circumstances of the case."

In attempting to carry out this purpose the Trade Commission Act made "unfair methods of competition in commerce" unlawful.

A further provision in the Act was to the effect that where an unfair method of competition exists and it shall appear to the Commission that a proceeding by it in respect thereof, "would be to the interest of the public," the Commission shall proceed against the accused persons by the method above indicated.

"In the Public Interest"

It will thus be observed that it was not made the duty of the Commission to apply its former procedure against every unfair method of competition, but as to those of such gravity that "the interest of the public" would be served by such a proceeding.

This was the method of "doing justice" where the processes of courts are inadequate to adjust the remedy to the wrong.

Under this practice thousands of cases have received the attention of the Federal Trade Commission, over 95% of which have been disposed of without resort to court procedure or criminal action.

The outstanding purpose of prevention, rather than penalization, has largely been accomplished.

In interpreting this language of the Federal Trade Act, the Supreme Court, speaking through Judge Brandeis has said:

"In determining whether a proposed proceeding will be in the public interest the Commission exercises a broad discretion. But the mere fact that it is to the interest of the community that private rights shall be respected is not enough to support a

Why the Lea Bill Is Important

The so-called Lea Bill which is explained in this article by its Congressional sponsor is a very broad, far-reaching proposed law which may affect thousands of businesses in hundreds of unforeseen ways. Therefore, it is extremely important that marketing executives understand how it is proposed to amend the act creating the Federal Trade Commission.

Opponents of the bill claim that the amendment would place the FTC in complete and dominant control of all advertising which involves interstate commerce. One proposed amendment to the bill would put the control of food and drug advertising under the FTC instead of under the Department of Agriculture, as contemplated in the Copeland Bill.

Read for yourself Congressman Lea's analysis of what the bill is supposed to accomplish.

THE EDITORS.





finding of public interest. To justify filing a complaint the public interest must be specific and substantial. Often it is so, because the unfair method employed threatens the existence of present or potential competition. Sometimes, because the unfair method is being employed under circumstances which involve flagrant oppression of the weak by the strong. Sometimes, because, although the aggregate of the loss entailed may be so serious and widespread as to make the matter one of public consequence, no private suit would be brought to stop the unfair conduct, since the loss to each of the individuals affected is too small to warrant it."

Experience has shown, however, that the limitation of the jurisdiction to "unfair methods of competition" as defined by the courts was too restricted in its application to accomplish the purpose of the Act as fully and effectively as contemplated.

Consumer Unprotected

This language has been construed as depriving the Commission of jurisdiction to issue cease and desist orders unless the evidence adduced at the hearing establishes the existence of competition. In other words, it is not sufficient to establish the existence of "unfair methods" before "injury to a competitor" is done thereby. This places upon the Commission the duty, in every case, of establishing not only the "unfair methods," but also "injury to a competitor."

This construction of the language also had the effect of omitting "consumer protection" from the purpose of the Act. An unfair practice, injurious only to the consumer, does not give the Commission sufficient authority for the exercise of its power.

Under the amendment now proposed "unfair or deceptive acts or practices in commerce" are made unlawful. Two outstanding results will follow the enactment of this amendment in the law. The Federal Trade Commission upon establishing an "unfair practice" can exercise its preventative power without showing injury to a competitor, which will save the Trade Commission much time and expense. In the second place, if an "unfair or deceptive practice" is shown the Commission can exercise its power for the protection of the consumer regardless of whether or not any competitor is injured by such practice.

The further amendments to the existing provisions of the Federal Trade Act are procedural in character and particularly define the time when the

AUGUST 15, 1937

For SALES EXECUTIVES above all others

Why do we urge you sales managers *especially* to have a Dictaphone demonstration? To see how this modern dictating machine enables busy men to double their abilities to get things done? To scan the list of men now using Dictaphone?

Because you, *especially*, need a *simple* way to make verbal instructions alibi-proof—over the phone or across your desk.

Because *your* secretary, *especially*, is worth a lot more *doing* things than sitting at your elbow being a shorthand machine.

Because *you*, *especially*, know the value of letters that are "talked," not stiffly written... the importance of being *all* alone to think out a speech or plan.

Because you, especially, are almighty busy... and the busier you are, the more the coupon below can do for you. Mail it now.

Kelsey F. Linco, Secy.-Sales Mgr.
G. F. Heublein & Brother
Hartford, Conn.



F. B. Heitkamp, Gen. Sales Mgr.
Amer. Type Foundry, Inc.
Elizabeth, N. J.



M. V. Ballew, Sales Mgr.
Dr. Pepper Co.
Dallas, Texas



THE TREND TO DICTAPHONE

SWEEPS ON

LET HIM SHOW YOU—right in your office. You'll discover it doing a dozen useful stunts you've never thought of. Call us today and find out what Dictaphone really does!

Dictaphone Sales Corp., 420 Lexington Ave., N. Y. C. SM-8
In Canada—86 Richmond St., West, Toronto

- ☐ Please let me know when "Two Salesmen in Search of an Order" will be exhibited in my city.
☐ I want to see what Dictaphone can do for me.

Name _____

Company _____

Address _____

The word DICTAPHONE is the Registered Trade-Mark of Dictaphone Corporation, Makers of Dictating Machines and Accessories to which said Trade-Mark is Applied.

Commission order to cease and desist shall become final both without and after a review by the courts.

Three new sections are proposed to be added to the Federal Trade Act relating to false advertisements of foods, drugs, devices and cosmetics. The purpose of these amendments is to give the Commission more effective control of these advertisements of which it already has jurisdiction.

Section 12 prohibits the dissemination of false advertisements for the purpose of inducing the purchase of such articles.

Section 13 gives the Commission power, when it would be "in the interest of the public," to enjoin dissemination of such false advertisements.

Thus it will be observed that the general purpose of preventing, rather than penalizing, is followed out in this amendment. The Commission will not exercise its power of injunction in every case of a false advertisement; only in those cases where such action is "in the interest of the public."

Provision is made for relieving newspapers and certain other publications from responsibility under conditions with which the legitimate pub-

lisher can readily comply.

Section 14 penalizes the dissemination of a false advertisement for the purpose of inducing the purchase of an article injurious to health because of the results from its use. Likewise the circulation of such false advertisement with intent to defraud or mislead is punishable.

A false advertisement is defined as one which misleads in a material respect. Certain standards are set up for determining whether an advertisement is misleading. The definition is broad in reaching misleading advertisements.

It will be observed that in enforcing the Act against false advertising discriminations are made, for the purpose of fitting the penalty to the act. Federal Trade procedure, including a court injunction, will be resorted to only when the offense reaches that magnitude which the Commission determines makes a proceeding "in the interest of the public."

The definition of false advertisement is broad enough to cover every case from the grossest attempt to defraud purchasers to the case of the unintentional and nominal violation of the prohibition of a misleading advertisement.

The Commission may proceed by the cease and desist method or if repetition of the offense warrants, pending the final decision of the court on the matter, a restraining injunction may be applied with the approval of the court.

In those grosser cases, where the false advertisement is to induce the purchase of an article injurious to health or where the advertisement is disseminated with intent to defraud or mislead, the offender is guilty of a criminal offense and subject to prosecution as in the case of other misdemeanors.

The Federal Trade Commission has general jurisdiction over false advertising, including, of course, advertisements of foods, drugs, devices and cosmetics. These new amendments will give a much more effective control than is possible under the existing law.

Check Your Sales Records Against These 66 Cities

The government is one up on the rest of us in measuring the growth of business of a city because the Post Office Department knows at any moment just how postal receipts this year compare with last year and preceding years. Post Office receipts are a fairly reliable index of the business of a community.

On the first of July the government readjusted its classifications of Post Offices based on the volume of business done: 66 offices were raised from second to first class; 138 were raised from third class to second; 392 were raised from fourth to third.

The following are the 66 cities where increases in Post Office receipts caused the department to change their classifications from second to first:

Yuma, Ariz.	Mount Kisco, N. Y.
Martinez, Calif.	Port Jervis, "
N. Hollywood, Calif.	Seneca Falls, "
Oroville, "	Concord, N. C.
San Fernando, "	Valley City, N. D.
Tulare, "	Bellaire, O.
Venice, "	Bellefontaine, O.
Sterling, Colo.	Conneaut, "
Moultrie, Ga.	Greenfield, "
Coeur D'Alene, Idaho	Duncan, Okla.
Des Plaines, Ill.	Albany, Ore.
Harrisburg, "	Bend, "
Mendota, "	Marshfield, Ore.
Peru, "	The Dalles, "
Sycamore, "	Aliquippa, Pa.
Jeffersonville, Ind.	Ambridge, "
Wabash, "	Corry, "
Warsaw, "	Doylestown, Pa.
Henderson, Ky.	Punxsutawney, Pa.
Maysville, "	Mayaguez, P. R.
Freeport, Me.	Brookings, S. D.
Easton, Md.	Columbia, Tenn.
Danvers, Mass.	Bryan, Tex.
Webster, "	Del Rio, Tex.
Albion, Mich.	Midland, Tex.
Coldwater, Mich.	Victoria, "
Ludington, "	Lexington, Va.
Le Center, Minn.	Pulaski, "
Waseca, "	Chehalis, Wash.
Windsor, Mo.	Elkins, W. Va.
Claremont, N. H.	Antigo, Wis.
Teaneck, N. J.	Ripon, "
Beacon, N. Y.	Waupun, Wis.

SALES MANAGEMENT

"SET SAIL" . . .



for the Greatest Season of Them All!

THE FOLLOWING FIGURES INDICATE THE TREMENDOUS

GAIN IN BUILDING

First 7 months in Greater Miami:

January thru July, 1937.....\$16,019,637.50
January thru July, 1936.....\$12,519,637.50

APPROXIMATE INCREASE for 1937.....\$3,500,000.00

The above figures appeared as Headline news in a recent edition of The Miami Herald!

Plan NOW to reach this greatly increased audience this year . . . AT ONE LOW COST, in The Miami Herald

The Miami Herald

Florida's Most Important Newspaper
FRANK B. SHUTTEL, Publisher

National Representatives:

J. P. McKINNEY & SON

New York Chicago San Francisco

Southern Representatives:

GARNER & GRANT

Suite 1601

Rhodes-Haverty Bldg., Atlanta, Ga.



MEDIA AND AGENCIES

Media Promotions, Statistics, Bright
Spots and Shifting Personnel . . .
Spot News of the Advertising World

Life Will Lose \$2,500,000 This Year—but Cheerfully

In a letter to charter subscribers, Roy E. Larsen, publisher of *Life*, declares that the picture magazine is "losing \$2,500,000 this year—\$50,000 a week—but we are losing it cheerfully. We never expected to make a circulation profit selling a 35-cent magazine for a dime. And certainly we can have only gratitude to our advertisers for the support they have given us.

"*Life* is losing money only because of the tremendous expenses we have assumed in our struggle to print enough copies to meet the demand; and so we might almost say that *Life's* loss is paradoxically the measure of *Life's* success."

The press run, Publisher Larsen explains, is over 1,200,000 a week. However, more than 10,000,000 people read every issue, an average of 9.3 per copy—"more than any other magazine in the world."

When *Life's* production problem is solved, he tells subscribers, one of the most dramatic revolutions in the art of printing since Gutenberg invented movable type will have been completed: Coating and glazing paper at a speed of 700 feet a minute; drying ink instantaneously by mixing it with nitrocellulose and exploding it in a fire chamber, and other developments which printing experts declared impossible.

Scribner's Gives and Gains

Scribner's Magazine, which recently employed Western Union to distribute 50,000 copies of each issue to a hand-picked list of "Top-Income" families, is evidently finding the stunt a good method of getting paid subscriptions. Frank Comtois, advertising manager, announces that for the second time in nine months circulation rises have made necessary an increase in the net paid guarantee and rate. With the December issue a circulation of 115,000 net paid is guaranteed.

"Space users in *Scribner's* will continue to receive gratis coverage of the 50,000 Western Union-delivered copies." A different group is reached each three months, thus totaling 200,000 in a year.

Door Opened to American Radio Programs by Canada

"High class" commercial broadcasts, formerly barred from Canadian networks, can now buy Canadian Broadcasting Corp. time. CBC has reversed the policy of its predecessor, the Charlesworth Commission, which prohibited American commercial programs except to individual Canadian outlets of the National Broadcasting Co. and Columbia Broadcasting System, located at Montreal, Toronto, and Windsor. The old commission declined even to allow hook-ups of these outlets of American companies.

Two considerations moved CBC to

change the previous policy: It was found that Canadian listeners in large numbers tuned to stations across the border for top-notch entertainment, and thereby got into the habit of dialing American instead of Canadian stations; by permitting American

programs on CBC facilities, the corporation would receive revenue.

Both NBC and CBS are reported entirely willing to route programs to Canada as sponsors direct. Such advertisers as Ford and General Motors, which have plants and large sales in the land of the maple leaf, are regarded as logical prospects. Ford and GM may require their Canadian subsidiaries to foot the bill for Canadian programs. As yet, no contracts have been signed, but, negotiations are under way between CBC, NBC, and CBS.

New Supplement for *Eagle*

A new magazine section, "Trend," is now being published with the Brooklyn *Daily Eagle* every Sunday. This "weekly magazine with pictures" summarizes news events of the "week in review, the world

—the **LARGEST** issue
in Advertising Revenue
in it's entire history....

The **LEGION** Magazine September 1937

*To those advertisers who helped to establish
this record we say—"Thank You".*

*To those advertisers who were not repre-
sented in this issue we invite you to in-
vestigate carefully our market.*

HERBERT R. SCHAEFFER
Advertising Director

CHICAGO
307 N. Michigan Ave

NEW YORK
9 Rockefeller Plaza

DETROIT
General Motors Bldg.

in preview." Of eight pages in black and white, the first issue has sections devoted to headline events, aviation, business and finance, the ladies, drama, art, religion and human interest features. George Currie is the editor.

Barnard Joins Railroad Advertising Co. as S. M.

F. R. Barnard, for 15 years national sales manager of Street Railways Advertising Co., one of the Barron G. Collier organizations, has resigned to become sales manager of Railroad Advertising Co., New York. Railroad Advertising controls the ad space and positions on the stations of the Long Island, New York Central, New York, Westchester and Boston, West Shore, Lackawanna, Erie, and Central of New Jersey railroads.

Hearst Leases D. C. Papers to Eleanor Patterson

Mrs. Eleanor Patterson has taken over the Washington (D. C.) evening *Times* from William Randolph Hearst on a five-year lease. Mrs. Patterson has been editor and publisher of the Washington *Herald*, morning, for the past seven years. Last April she leased it from Mr. Hearst. Under the terms of the new lease both newspapers are to be under her sole direction for five years.

Walter D. Barkdull, who has been advertising head of the Washington *Times* for the past three and one-half years, has been placed in charge of both the *Herald* and the *Times*. Advertising Manager Barkdull, a resident of Washington for the past 15 years, was born in Wauseon, Ohio. Be-

fore coming to Washington, he was associated with newspapers in Des Moines, Toledo, Cincinnati, and Baltimore.

In 1935 and 1936, the *Times* exceeded every other newspaper in the United States in advertising gains.

Another Hardware Age Giant

Hardware Age's annual merchandise directory, issued July 29, is a goliath. It contains 716 pages and weighs 66 ounces, the largest issue in the history of this business paper. It carries 380 pages of advertising, compared with 324 pages last year—which at that time was something of a record. The total number of advertisers is 496, an increase of 53. The publishers call attention to the fact that an increasing number of advertisers are using catalog-type copy for this hardware buyer's reference book.

CBS Morning Sales Up 136%; Afternoon Sales Gain 56%

Columbia Broadcasting System reports that morning time sales of its stations for the first half of 1937 total \$1,828,466—a gain over the first six months of last year of 136%. Afternoon time sales were \$2,262,540—56% increase over 1936. Evening time sales, up to July of this year, were \$10,712,259—a 20% increase. The total of all sales was \$14,803,265, a 32% increase.

Of the amount spent by CBS morning advertisers, \$1,560,260 is classified under food and household supplies (cleansers and laundry soap) accounts. This "more than triples the amount spent for morning advertising by these two industries in the first

six months of 1936." Further analysis by industries shows that automotive accounts gained 57%; tobacco, 61%; foods and food drinks, 59%; soaps and housekeeper's supplies, 98%.

The number of daytime advertisers rose from 20, in 1936, to 31 for the first half of this year. They spent an average of \$114,202 the first six months of last year; this year the average was \$131,968.

Media Notes

William Nelson, formerly with the New York and Des Moines offices of *Look*, has been placed in charge of the new Washington, D. C., office of the picture publication in the National Press Building. With the opening of the picture gathering center, *Look* has three editorial branches; the others are in New York and Chicago. . . . Curtis J. Harrison, advertising manager of *Photoplay*, has appointed Richard P. Hohmann as western advertising manager.

Fawcett Publications merges *Screen Play* with *Screen Book*, effective with the October issue. The combined magazines "will top all 10-cent magazines in the amount of colored editorial matter."

Parent's Magazine promotes Paul Elrod from the metropolitan edition to the national advertising staff. . . . Edward C. Warren has joined the metropolitan ad staff, coming from Screenland Unit and *Good Housekeeping*.

Bennett Yarrow Ryan has been appointed to the advertising sales staff of *House Beautiful*. After leaving Harvard University, Mr. Ryan took a course in sales training in the Hearst organization.

George J. Kilgore has been appointed to the eastern advertising sales staff of *Cosmopolitan*. He was formerly gravure advertising manager of the New York *Herald Tribune*, a position he held since 1936. He joined the national advertising department of the HT in 1933.

On the Air Waves

National Broadcasting Co. revenues in July reached the highest figure for that month in the company's history. Advertisers invested \$2,707,450 in network time. The increase over the same month of last year amounted to \$2,777,467, or 11.4%. Total revenue for the first seven months of the year was \$22,655,557, a 22.5% gain over the \$18,491,075 figure for the same period of 1936.

NBC-Red network stations KHQ, Spokane, and WDAF, Kansas City, have installed new antennae and stepped up their power. KHQ's 828-foot antenna (the highest vertical one in the United States) increases its daytime power to 5,000 watts. WDAF also has a new 5,000-watt transmitter. Its antenna is 425 feet high.

Station KYW, NBC-Red outlet in Philadelphia, has appointed John S. K. Hamann as sales manager. He was formerly national sales representative of NBC in Philadelphia and the South, joining the company in 1933.

Arthur C. Stringer has been appointed sales promotion manager of the Crosley radio stations WLW and WSAI. Mr. Stringer, a graduate of the University of Chicago, has had many years' experience in editorial and advertising departments of newspapers as well as in general publicity work.

Frank P. Foster, II, formerly merchandising and sales promotion manager of WINS, has been appointed sales promotion manager of Hearst Radio, Inc., New York.

BOOTH

Michigan

NEWSPAPER READERS

are your market

OUTSIDE OF DETROIT

Michigan population, outside of Detroit, is concentrated in that section of the state covered by the eight Booth Michigan Newspapers. Booth Newspaper circulation (300,000 copies . . . 97½% home delivered) covers your Michigan market outside of Detroit. Each Booth Michigan Newspaper covers an important key market completely at one-paper cost. For further information call or write I. A. Klein, 50 E. 42nd Street, New York, or John E. Lutz, 435 N. Michigan Avenue, Chicago.

Grand Rapids Press	Jackson Citizen Patriot	Flint Journal
Saginaw News	Bay City Times	Kalamazoo Gazette
Muskegon Chronicle	Ann Arbor News	

He will continue to serve WINS as formerly, and also all of the 10 Hearst stations.

The NBC-Blue network has added 10 stations below the Mason-Dixon line as the "latest major step in the development of a greater Blue network." The new stations are WAGA, Atlanta; WDSU, New Orleans; WNBR, Memphis; WSGN, Birmingham; WJBO, Baton Rouge; KXYZ, Houston. The following are supplementary stations: WROL, Knoxville; KFDM, Beaumont; KRIS, Corpus Christi; and KRGV, Weslaco, Texas.

Agency News

Thomas J. McDermott and Frank Coulter, of N. W. Ayer and Son, have been transferred from New York to Philadelphia "owing to an increasing volume of radio business calling for closer coordination between radio and publication advertising activities." Francis C. Barton, Jr., formerly in charge of time buying in New York has been placed in charge of Ayer's Albany office. . . . Thomas A. Edison, Inc., West Orange, N. J., has appointed Federal Advertising Agency for the company's Ediphone division. Magazines, newspapers and business publications are to be used. . . . Brigham Hopkins Co., Inc., of Baltimore, largest makers of straw hats in the country, Hirshon-Garfield, Inc., as agency.

Lester S. Dame and Adolph J. Toigo have joined the research department of Benton & Bowles agency. Mr. Toigo was formerly research director of John H. Dunham Co., Chicago. Mr. Dame was with the Lye Association, New York. . . . Fred J. Hamm has joined B & B as account executive on the Colgate-Palmolive-Peet account. Until recently, he was a partner in the firm of Moore & Hamm, Inc. . . . James S. Adams has been elected executive vice-president of B & B. He was formerly vice-president and general manager. . . . Chester Bowles continues as chairman of the board, and Atherton W. Hobler, as president. . . . Ed M. Sterling has joined Gardner Advertising Co., New York, as account executive. His past connections include association with Benton & Bowles, vice-president of George L. Dyer Co., and former president of McMullen, Sterling & Chalfant, Inc. . . . Thoma Glass Co. Fairfield, Iowa, and F. D. Kees Manufacturing Co., Beatrice, Nebraska, have appointed Cole's, Inc., Des Moines, to direct their advertising. . . .

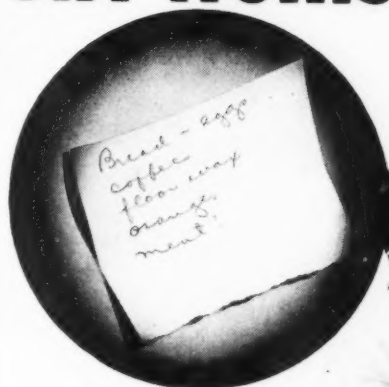
Coal and Coke Retail Corp. have appointed Frank Presbrey Co. as agents. Plans for an intensive newspaper, direct mail and sales promotion campaign are in process of completion for Fall and Winter presentation. . . . Harder Refrigerator Company, Cobleskill, N. Y., has appointed J. M. Mathes, Inc., to direct the advertising for McKee air conditioned ice refrigerators. . . .

Gillette Safety Razor Co., Boston, has designated Maxon, Inc., to handle advertising for Gillette razors and blades, Valet-Autostrap, Probak blades, and Gillette Brushless shaving cream. Newspapers and magazines will be used for Gillette razor blade advertising. A newspaper test campaign on Gillette Brushless shaving cream is being conducted in three cities, with probable expansion nationally. . . .

Frederick G. Nelson resigns as advertising director of Simplicity Publications, Simplicity Pattern Co., and Pictorial Review Pattern Co., to become general manager of Amos Parrish & Co. agency, of New York.

AUGUST 15, 1937

six items on her list



a dozen in her order

Millions of housewives buy big grocery orders from little shopping lists—or no list at all.

Why? Because these days women like to look around in the store before they plan their meals. They like to see what is new, what is different and economical before they decide what to have for dinner.

That is why display in the store has become such a predominating factor in the sale of grocery products. Get your product out on display and whether it's on the shopping list or not housewives will buy it!

Display is something only the grocer can give you. He puts up 90% of the displays in preferred position in his store himself. If he gives your product good display, sales will go up 20% to 50% or even more.

That is why we say do a major selling job on the leading grocers. The 75,000 top-notch grocers whom you can reach through The Progressive Grocer can display your product before 15,000,000 housewives when they are looking for things to buy and buying.

THE PROGRESSIVE GROCER

BUTTERICK BLDG. NEW YORK • MALLERS BLDG. CHICAGO • HOBART BLDG. SAN FRANCISCO

Industrial Relations Public Relations Economic Research Market Research

Evaluated by
442
Industrial Leaders

This is the title of a survey which we have just completed and which is offered to anyone interested in these four important fields of business management. Send for your copy.

MARKET RESEARCH CORPORATION OF AMERICA

Pauline Arnold
Percival White

Rockefeller Center, New York
120 S. La Salle St., Chicago

*Gives you guidance in making marketing decisions
and building sales and advertising plans*

[68]

Neglected Accessory Market Turned Into \$1,300,000 Volume

(Continued from page 19)

"It is all perfectly simple, now that we've done it," he said in commenting on the success of the whole undertaking. "Heretofore we stocked accessories, but made no effort to sell them; now we are selling them. Previously, much of the business went elsewhere and probably a great deal wasn't had by anyone, because no one made a bid for it. Now we are asking them to buy, and they are buying."

"This not only means more business and more profits for us, for the dealers, and for the retail salesmen, but it means greater customer satisfaction and, believe it or not, it actually makes cars easier to sell."

"Prospects favor the car that 'has everything.' After all, when one is going to invest around a thousand dollars in an automobile, it doesn't take much effort to persuade him to add much more to his satisfaction and enjoyment by spending another hundred dollars or so, particularly when this adds only a few dollars a month to his payments."

"Lookers" Get an Eyeful

"We encourage dealers to display one or more models equipped with everything. There are many lookers, particularly at new model time, and they help spread the news. 'Have you seen the new Graham?' they'll ask their friends. 'Boy, that car has everything! Radio, heater, electric clock, chromium plating all over it,' and so on. The prospect likes all that equipment, too. When he learns that the price is higher, he may hesitate, but he wants those extras and he is more than likely to buy them. If not, there is a similar model right there without the extras, which he may have at the established price. Or the salesman may suggest that he take the car with factory-installed radio, for example, and if he decides within a month that he doesn't want the radio, he may return it. Few will return a radio after using it for a month."

As proof that such policies are also boosting sales of Graham cars, company officers cite total factory car sales for the nine-month period just ended—\$12,703,000, an increase of \$1,042,000 over the corresponding time last year. The gain was achieved by a steep rise in sales of higher-priced supercharged models.

SALES MANAGEMENT

If One Type of Premium Doesn't Pull, Another One Will

(Continued from page 46)

Three of the company's coupons are required, together with a nominal cash payment, for each of these premiums. A set of three saucepans, for example, was offered for three coupons from either the coffee or the tea, or a combination of both, and 74 cents. A deck of playing cards called for three coupons and 27 cents. A "12-in-1" cooker composed of five separate pieces that could be converted into a dozen combinations of utensils, required three coupons and \$1.24. A steel skillet involved the redemption of three coupons with 79 cents. Chinaware could be secured with three coupons for each unit of six pieces and sums ranging from 45 cents to 87 cents.

Dual Offer Proves Sound

The fact that the purchase of only three pounds of coffee or three quarter-pound cartons of tea was required to secure the premium merchandise attracted new customers who would not have considered purchasing enough of the merchandise to accumulate the 50, 75 or 100 coupons that would have been called for had no cash payment been involved. The premium items themselves represented a definite saving to the consumer who had real use for them, as the redemption price demanded was only a fraction of the usual retail values of such merchandise.

At the same time, the identical offers were available to regular customers who already had coupons and an added feature was introduced to give even greater appeal for present users of the company's goods. Two types of premium appeals were combined in a single offer and consumers who already had a large number of coupons were allowed to secure these various premiums in the same manner as they did the articles listed in the regular catalog. They were offered the alternative of submitting three coupons and the cash payment or of sending in a sufficient number of coupons so as to make the cash payment unnecessary.

This alternative offer was imprinted on the coupons so that new customers who bought a pound or two of the coffee, for instance, and decided that they liked it well enough to become regular users could continue to accu-

mulate their coupons and get the desired premium without a cash payment if they decided to take advantage of the all-coupon offer.

Similarly, regular users who might have been saving their coupons for some other premium when one of these special offers was made (the "specials" were imprinted from time to time on the back of the coupon, listing the regular "free" premiums), could, if they wished, use three of the coupons and pay the balance in cash to secure the new premium and then continue to add to their coupons in saving for the item they originally intended to redeem.

Similar tactics were used in merchandising toys for the children at Christmastime. The Christmas coupon listed a streamline train for three coupons and 87 cents, a box of agates for 26 cents with the same number of coupons, a 16-piece toy tea set for 49 cents and three coupons, a multicolored top for 26 cents, a toy auto for 44 cents, a miniature truck for 98 cents and a doll for 34 cents. Still another twist was given to the offer by notifying consumers that by continuing to save coupons from additional purchases made after any of these items had been redeemed for the three coupons and the cash payment, they could return a specified number of the coupons to the company, and their original cash payment would be refunded.

The Ever-Potent "Give-Away"

The next step the company took after highly gratifying results had been achieved with the "all coupon" and the "part coupon and part cash" redemption methods, was to add still another method to their premium program. This is the straight "give-away" of a premium with each purchase of the product. Attractive iced tea glasses were offered with each purchase of a quarter pound of tea. As a means of acquiring new customers, few plans will outpull such a "give-away" if the premium is the right one, and the price is in line with competition. Always, of course, assuming that the manufacturer's product has the necessary quality to please the consumer after it reaches the home.

All three of these redemption plans have been in successful operation with this southern firm simultaneously during the past few years and through their combined use the company feels that every possible effort is being made to assure constant satisfaction to old customers and to open new markets and attract added consumers by making useful and practical premiums available quickly and economically.

WIN MARKETS with *Custom Built* ALUMINUM PREMIUMS



If you'd like to have a premium exclusively your own—something no one else can offer—designed to fit your product, your market, your needs, investigate the possibility of premiums custom built by Aluminum Goods Manufacturing Company. When quantities are sufficiently large, you will find the added value of custom-built premiums far exceeds the slight extra cost. Our sales development department and staff of design engineers are available to work with you in creating and producing premiums with that extra sparkle of distinctive appeal that leaves competition hanging on the ropes.

... and CUSTOM-BUILT SALES PLANS BY PREMIUM SPECIALISTS

You can depend on Aluminum Goods Manufacturing Company for premium sales plans too. Years of experience, of outstandingly successful premium merchandising, are here to help you. The combination of custom-built premiums and custom-built sales plans is a double-barrelled service that assures success.

PROMOTIONAL DIVISION

ALUMINUM GOODS
Manufacturing Company
Makers of MIRRO
MANITOWOC • WISCONSIN
200 Fifth Ave., New York City • Merchandise Mart, Chicago



SALES LETTERS

BY MAXWELL DROKE

That Sweetest Sight: Your Own Name in the Paper

I don't know whether Charles H. Carpenter, of the Witte Hardware Co., at St. Louis, has had any experience as a country newspaper editor, but I have a hunch that he would make a good one. Mr. Carpenter edits a weekly bulletin for Witte salesmen throughout the Middle West, and I like particularly his practice of working into these bulletins news items about individual men, and the records they are making. For example, I quote from a bulletin devoted to the Sporting Goods department:



Maxwell Droke

"Do not forget our goal for 1937 is 100,000 loaded shells, or better, from each of our territories. That total is possible for any man who secures his fair portion of the business . . ." Then, to prove his point, he introduces a little item telling that one salesman, Allen Robinson, has already sold more than 600,000 shells.

I can see two advantages here. First, it kindles the competitive spirit, shows a salesman what his contemporaries are doing, and inspires him to go out and make an equally impressive record. The second and equally potent point is that we all take secret delight in seeing our names in print. Nothing gives us a greater "kick" than to run unexpectedly upon some commendatory item, set out in public for all and sundry to peruse. It is here, I think, that Mr. Carpenter shows great wisdom. Salesmen soon get to looking for these personal items, and as a result bulletins are more closely read. It's the old county seat newspaper idea. And a mighty good one.

Talk of "Next Door" Brings This Firm Chunks of Trade

Another effective example of personalizing, in quite a different field: The Adams Insulation Co., Boston, send this letter to neighboring residents when a home is destroyed by fire:

"As you know, the J. B. Blakely residence in your neighborhood was recently destroyed by fire. Suppose this had been your home?

"You could have had no greater example of the need of a fireproof insulation than to have been an eye-witness and to have seen the firemen's inability to cope with the flames.

"Here, again, you can see the detriment of having live air spaces between walls and above top floor ceiling areas. Contrary to

popular notion, fire does not spread along flat surfaces, but is carried from one section to another by the violent whirling of the air and flames between the walls which offer no resistance to the fire.

"However, by installing Bonded Rock Wool fireproof blowing fibre in the walls and above the ceiling areas of your home, it would be possible to check the flames and little damage could be done to the structure.

"Another advantage that you can obtain by insulation at this time is a 10 to 20 degree cooler house during the coming Summer season.

"We will be pleased to make a survey of your home, without any obligation to you, and advise you as to whether or not your home is so constructed as to be efficiently insulated and protected against the ravages of fire.

"The enclosed postal is for your convenience."

Also, when the Adams Co. secures an insulation contract, they send a letter to other home-owners in the neighborhood, calling attention to the work in progress asking them to drop by and have a look at the place; talk with the owner about it, etc.

A recent theatre contract resulted in a letter to home owners in the neighborhood, telling them of the coolness and fire protection now to be enjoyed at the theatre. This was followed by an explanation of the advantages of Rock Wool for the home, and an invitation to investigate further without obligation.

Too Early for Christmas Sales Ideas? Not on Your Life!

Soon you will be thinking of plans to stimulate holiday business. Here's a letter used last season by Towle Manufacturing Co., silversmiths. The letter was addressed to selected names furnished by dealers throughout the country. It was processed on Towle stationery, with a perfect fill-in and mailed from the home office in Newburyport, Mass. The dealer's name, you will note, appears in the final paragraph. About 30,000 of these letters were mailed last year, with very gratifying results:

"Dear Mrs. Kearns:

"Your Sterling gives you daily service and beauty, adding graciousness to the simplest meal and to the most formal dinner.

"Have you all the pieces you need? Or do you wish you had more teaspoons or salad forks? Would you like a carving set for the Christmas turkey, a pie server or after-dinner coffee spoons? Would a salad and fruit bowl make your buffet more lovely? Or would this be the year to make a start on the tea set you have always wanted?

"Why don't you buy now the pieces you want the most? Or suggest to your family that they give them to you as Christmas

gifts. Surely there is nothing which will give more lasting enjoyment or be such a constant reminder of their thoughtful giving.

"Here is a new folder of your lovely Virginia Carvel pattern. It may help you to decide what additional pieces will give you the most pleasure and service. They may be purchased from H. F. Wichman & Co., Ltd.

"Sincerely yours,

"THE TOWLE SILVERSMITHS.

"P. S.—May we suggest that your friends and relatives, too, will welcome Christmas gifts of additional pieces of Sterling in their own patterns? Sterling is a gift that is treasured always."

Give Your Catalog a Build-up and Dodge the Wastebasket

I like the firm, common-sense stand taken by Cooley's Gardens, of Silverton, Ore., in impressing prospects with the value of their elaborate catalog. It's a sound step in the elimination of waste circulation. This announcement appears on the inside back cover of the current book:

"This catalog is yours with our compliments, and we are happy to have you own a copy. . . . But like most of the good things of life it costs a lot of money . . . 40 cents per copy, \$400 per thousand. . .

"Now, our files show that several thousand people on our mailing list have never favored us with a single order. Some of them are simply flower catalog collectors, others want to compare descriptive matter and prices, while still others have had only a momentary interest in gardening and have long since taken up golf, gone into the chicken business, or moved into a tenth floor apartment. Thus, we are annually spending a considerable sum of money that is wasted on deaf ears and blind eyes. Economy and sound business demand that we do something about this.

"And so . . . we are obliged to put a limitation on the number of seasons that we can send our catalog gratis to those who do not respond in any manner. Henceforth, we shall withdraw from our files the names of all those who have not ordered after the second catalog has been mailed to them.

"To our host of customers and friends who through loyal and continued patronage have made possible this and prior catalogs, we extend warm and sincere appreciation."

Standing Invitation

Mr. Droke is always glad to criticize sales letters and direct mail messages for our subscribers. There is no cost or obligation for this service. Address him in care of SALES MANAGEMENT, enclosing a stamped, addressed envelope.

Gravure Grows; Color to Be Offered in All "Groups" in 1938

(Continued from page 50)

of photographs in any printed message) that has led us to the use of rotogravure advertising. If photographs in our own advertising will attract more readers, it is logical that our advertising appearing in the *photographic section* of any newspaper will attract even more readers. You might also be interested in knowing that we use rotogravure extensively in the promotional literature on Dodge products for consumer distribution. This literature has proved highly popular with our entire dealer organization."

From N. W. Ayer & Son, Inc., commenting on the success of piano advertising published in the rotogravure sections of New York newspapers: "The results from this advertising have been most gratifying. The only place in New York City where you can buy a Steinway is at Steinway Hall. So we have a direct check on our advertising returns."

Roto Receives Closer Attention

From W. A. Armstrong, president, J. C. Eno (U.S.) Limited: "... Our decision to place the major portion of our advertising, during the Fall of 1936, in rotogravure was prompted by our knowledge of the popularity of this medium with the public. It is our belief that the rotogravure section of the Sunday papers receives closer attention and has a longer life than any other medium with such concentrated circulation."

From H. L. Hargraves, advertising manager, The William Carter Co. (manufacturers of foundation garments): "The main reason why we used rotogravure for our last campaign was to permit us to get better reproduction of the photographs illustrating our foundations and to insure greater attention value."

From Kenneth Parker, president, Parker Pen Co.: "A few years ago we introduced a Duofold De Luxe pen in black and pearl through newspaper rotogravure. At the time our distribution was rather scanty. But no sooner had these advertisements appeared than we were besieged with telegrams and mail orders, both direct from dealers and from our salesmen all over the United States. Rotogravure has been extensively used, particularly in the advertising of the new Vacumatic pen."

AUGUST 15, 1937

Taking a leaf from the success story of the comic strip, rotogravure has fallen into line within the last three years and adopted the sequence or related-picture editorial technique. The old hodge-podge system has been discarded in favor of such story-telling features as "A Day in the Life of . . ." "Before and After . . ." and "How to Do It" sequences, and even detective stories told by full pages of pictures in sequence. More attention is being given to layouts, with greater emphasis on balance and unity. There is a trend toward a more lavish use of white space, and captions are longer and in many instances more carefully written than has been gen-

erally the case in the past.

Of all the factors which have contributed to the progress of rotogravure—group selling, colorgravure, mechanical and editorial improvements—group selling, because it permits regional coverage at lower rates, has been outstanding. "Group selling has been effective in bringing more advertising to the individual publishers and lower rates to the advertisers." This quotation, lifted from SALES MANAGEMENT's 1933 article on rotogravure, still holds good. But there are significant differences between the group and non-group line-up of that year and that of today. These are summarized in the table on page 50.

The Rate You Pick is the Rate You Pay...



DOUBLE \$4.



DOUBLE \$4.50



DOUBLE \$5.

HOTEL SHERMAN

1700 ROOMS
1700 BATHS

HOME OF THE
COLLEGE INN

FRANKIE MASTERS His Radio Orchestra
JACKIE HELLER—Popular N.B.C. Singing Star

CHICAGO



YOU CAN DRIVE YOUR CAR RIGHT IN HOTEL SHERMAN



Trailer-Home Merchandising: Covered Wagon Co. enters the low-price trailer field with a new model, above, and a new merchandising plan. The company will sell its new trailer, to be known as the "Pacemaker," unfurnished for \$298. The purchaser may equip his "trailer home" as he would its more stable counterpart, installing factory-built furniture and equipment in individual units or groups.

Designing to Sell

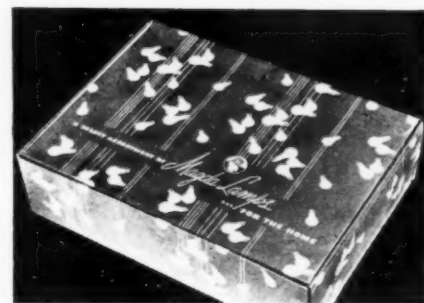
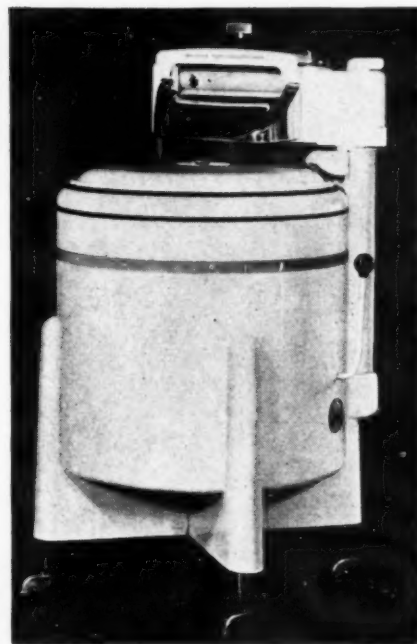


Account Change: (Left) Hayes Body Corp., trailer makers, last month took its advertising problems over to United States Advertising Corp. Intent upon an extensive advertising campaign to promote Hayes' electrically welded all-steel trailers, agency's ads will feature Hayes' "Cruiser," finished in fir, and "Crusader," finished in fir and in mahogany.

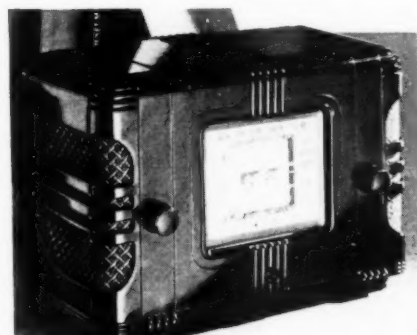


Space-Saver: For the apartment housewife —and for electrical equipment dealers who want to make an inexpensive yet effective display of electrical appliances in their natural habitat — Westinghouse Electric & Mfg. Co. offers a new unit kitchen. Designed to take up a minimum of space, the unit measures 88 inches high and 72 inches wide, includes cooking equipment, sink and storage space for utensils. Main cooking device is a roaster, supplemented by a coffee maker, sandwich grill, hot plate, toaster and waffle maker. A recessed "toe-well" allows the cook to stand close to the work surface.

Eye-appeal: Harold Van Doren & Associates designed this washing machine, below, for Fairbanks-Morse to appeal both to the eye and the sense of utility of the lady of the house. Finished in white baked enamel with blue, black and chrome trim, the washer has a special cradle-type base and modern improvements including an insulated over-size tub, automatic wash-timer switch, and sealed precision mechanism.



Positive Identity: From any angle a purchaser may tell what is in this box. Gair Cleveland Cartons, Inc. (subsidiary of Robert Gair Co., Inc.), designed it, in powder blue, to package General Electric's Madza lamp bulbs.



Twin Speaker: General Plastics Co. puts twin speaker grilles at each end of its new table radio cabinet to diffuse sound waves away from the ears of the tuner-in. The cabinet is molded Durez plastic and comes in either red or black.

SALES MANAGEMENT

"In the News" means "In Demand"

DESIGNING TO SELL



5. Star Finder: By simple adjustment for time and place, stars above the horizon ring correspond with their true positions as they are seen from any place on earth at any hour of the night. By using a BAKELITE molded base, the company cut the price to a quarter of that of the previous model. Chicago Molded Products Corp. was the molder.

SALES MANAGEMENT



"BAKELITE"* makes products "News"—creates acceptance

EDITORS employ the trade-name "Bakelite" frequently in publicity, because it adds news-value to any manufactured product made from the popular materials which bear this name. Dealers favor articles described as "Bakelite", because the name insures ready acceptance of the merchandise by their customers.

This prestige value that accompanies the use of Bakelite Materials for consumer goods, is supplementary to the important physical advantages of the materials themselves. Bakelite Molded, for example, is strong, durable, moisture and heat resistant, and possesses a rich, lustrous color and finish that remains

through years of constant service. Very often, through eliminating finishing operations and simplifying assembly, its use also is an economy.

From the consumer point of view the use of Bakelite Materials also suggests superior quality. This was shown to be a fact in a recent countrywide consumer survey, where a large majority of those interviewed said that "Bakelite" to them implied "fine quality". Through using Bakelite Materials, both sales and production benefit.

To learn something of the wide range of uses for these materials we invite you to write for our 48-page booklet 26M, "Bakelite Molded".



Rand-McNally "Celestial Globe" with lustrous black Bakelite Molded base. Molder: Chicago Molded Products Corp.

BAKELITE CORPORATION, 247 PARK AVENUE, NEW YORK, N.Y.
BAKELITE CORPORATION OF CANADA, LIMITED, 163 Dufferin Street, Toronto, Canada West Coast: Electrical Specialty Co., Inc., 316 Eleventh Street, San Francisco, Cal.

*Trade Mark Reg. U.S. Pat. Office

BAKELITE

The registered trade marks shown above distinguish materials manufactured by Bakelite Corporation. Under the capital "B" is the numerical sign for utility, or unlimited quantity. It symbolizes the infinite number of present and future uses of Bakelite Corporation's products.

THE MATERIAL OF A THOUSAND USES

AUGUST 15, 1937

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How to Get These Twelve Surveys Free

Specific results, actual figures, with no veiled allusions and no data withheld—that is what you will get out of the following carefully prepared surveys:

Consumers tell what they dislike about packages and containers.

How newspapers cover leading city markets.

Radio surveys in 63,663 homes show 45% listeners on average day.

Why is the smoking public changing its cigarette preferences?

Listeners again analyze and rate radio sales talks.

Methods used by spot radio advertisers to get results.

Housewives run up danger signals for manufacturers in new survey.

What's wrong, and right, with American railroads?

What do sales executives like, and dislike, about American hotels?

Women less particular about food brands than cosmetics.

Drug and toilet goods makers overlook vast potential market—the office.

Brand specifications survey among men shows that wives do the choosing.

These surveys were made by the Market Research Corporation of America for SALES MANAGEMENT, from which they are reprinted by permission.

You get all twelve surveys free with one year's subscription to MARKET RESEARCH, the monthly magazine. MARKET RESEARCH gives you the news of this newest but essential phase of modern business. It is the only magazine in its field. Read it and be up to date!

MARKET RESEARCH has no free list. The only way to get it is to subscribe. Use the coupon today!

OFFER HOLDS ONLY WHILE SUPPLY OF SURVEYS LASTS!

MARKET RESEARCH,
Rockefeller Center,
New York, N. Y.

Send me reprints of the twelve surveys, and MARKET RESEARCH for one year.

I enclose \$1 (). Bill me for \$1 ().
(Foreign, \$2.)

Name

Company

Street

City..... State.....

How Drug Jobbers Feel About the Private Brand Situation

(Continued from page 22)

aid Helps, vice-president. These products, sold more or less generally, include not only the customary U.S.P. items but hair tonic, cough syrup, sunburn cream. There has been no marked expansion of this business since the Robinson-Patman Act went into effect, and the drug peddlers are not advertised.

The only products which Schieffelin itself advertises are imported liquors—Teacher's Highland Cream Scotch whisky, Hennessy's cognac brandy, etc.—which it distributes nationally. American Kitchen Products Co., a subsidiary, advertises grocery items.

It was emphasized that Schieffelin has always been an "ethical" house. This implies, among other things, that this company will continue to concentrate on being one strong link in the manufacturer-wholesaler-retailer chain, and does not intend to assume the functions of either.

"Government policing of sales methods can at best be ineffectual," said M. F. Luff, sales manager, Van Schaack-Mutual Drug Co., Chicago. "You can't keep a government man sitting at the elbow of every sales head. The executive who wants to out-slick competition will always find new ways to do it. The slippery man is always slippery."

Mutual Drug was organized 30 years ago as a cooperative. For twenty years it operated on the open market, handling only advertised brands. Ten years ago, with its own factory, it began putting up private brands, at the request of members. Today it has 7,000 members, the "Ure Druggist" group; nine warehouses; members in 28 states.

This Scheme Back-fired

"Development of private brands was forced as the result of the selfish attitude of a large group of manufacturers of national brands," Mr. Luff said. "These used the device of selling their goods to certain preferred buyers at prices lower than they quoted to retailers generally. The idea back of it was that the preferred group could sell so low that the mass of retailers, to meet competition, would have to sell without profit. That, it was presumed, would mean volume."

"The actual result is that the scheme back-fired. The retailer be-

came resentful. He objected to selling without profit, and sometimes at a loss, and began to search for comparative items which he could sell, under private label, at some profit to himself.

"The Robinson-Patman Act sought to correct apparent abuses, but it doesn't seem to do so. Its actual effect is that quantity discounts have been legalized and the small, individual retailer cannot avail himself of special quantity discounts except through centralized buying agencies. It has taught the small retailer that he must organize. Otherwise the Robinson-Patman Act is in favor of the chains and department stores.

"In my mind the situation boils down to this:

What Value Dealer Good Will?

"1. The manufacturer of nationally advertised brands can gain, in the long run, most from the R-P Act if he will accept the fact that the good will of the retailer is worth retaining. To retain it he must be permitted a fair profit.

"2. The manufacturer of nationally advertised brands must realize that the great mass of retailers, if he pushes them too far, can ham-string him, for the man behind the counter, to a very large degree, can sell the customer the goods he wishes to sell."

Van Schaack-Mutual handles about 20,000 drug items. Today about 3,000 of these are under private label. The growth of private labels, according to Mr. Luff, has been forced. It has been a defensive movement. The number and volume of private labels will grow or diminish, very largely, according to the attitude of the manufacturers of advertised drug products.

"The future of nationally advertised brands," said Mr. Luff, "does not lie so much in the policing of the Government, under the R-P Act, as in the policy of the manufacturers themselves.

"The retailer does not feel any obligation to push the sale of any item which brings him no profit or which may mean a loss. In my opinion the effect of the R-P Act will be comparatively limited. The drug industry will continue to map its own course."

An executive of one of the larger drug trade associations also in Chi-

ago, asking that his identity be not revealed, said to an SM reporter:

"It is extremely difficult to make the small retailer realize what the Robinson-Patman Act has done for him. Insofar as he can see, it has meant little in his affairs. At a glance it does appear that way. From where he stands he can't realize that millions of dollars in secret rebates, given his competitors, the chains and department stores, have been eliminated.

"It is much easier for him to see that quantity discounts have been legalized. It is hard for him to see that the buyer of a \$500 order is entitled to a discount that he, buying 1/12th of a dozen, can't get. He thinks he's being treated unfairly.

"The manufacturer and the quantity buyer—and I, too—can see the justice of the quantity discount. But if you quoted me as saying that, I'd be in trouble right now.

"On the surface the R-P Act seems to have accomplished very little for the small drug operator. Dig a little deeper and you'll find that it has done a great deal. The enormous secret rebates, long in effect, are definitely out. The little fellow who couldn't get them ought to thank his stars. Instead he is too generally prone to complain of the discounts.

"He has made gains under the law and, in my opinion, he should be thankful for them. Man can't get everything."

Kansas City Applauds R-P Act

A. G. McPike, head of the McPike Drug Co., Kansas City, Mo., thinks the Robinson-Patman Act has been beneficial. Specifically, he believes it has forced wholesale druggists to give up practices, such as special discounts, which they disliked, but which they were obliged to continue because other manufacturers used them. In general, the Act is having as good an effect on the wholesale drug trade as any law passed in many years, although some of its disputed points need clearing up through interpretation by the courts.

Dollar sales for this company increased 8% during the first six months of 1937, as compared with the first half of 1936. In this increase nationally advertised brands figured more prominently than other brands. Most of the company's line is represented by the former sort of merchandise, but even so the greater proportionate increase was made by it. Colgate products were up 10% the first six months, as compared with January-June, 1936, and Pepsodent products were up 50%.

AUGUST 15, 1937

Advertising Men Know—

that **81%** Subscription
an **Renewal Rate**

is Phenomenal among Merchandising Papers,

—that in a hardware paper whose circulation depends entirely upon the desire of hardware men to read and use the paper in their business, it means (considering normal business mortality and personnel changes in the trade) nearly the highest possible degree of reader interest.

81.05% is the renewal rate of **HARDWARE AGE** for the year ended June 30, 1937.

Taken together with the fact of **HARDWARE AGE'S** practical saturation of its field, this indicates a highly effective "message delivery power" for you in your hardware market.

It means that in **HARDWARE AGE** the force of your advertising campaign will have its full impact upon the hardware trade—upon the buyers and sellers of hardware throughout the country.

HARDWARE AGE
A Chilton Publication
239 West 39th Street New York, N.Y.
A.B.C. - Charter Member - A.B.P.



**NATION-WIDE
... AIR
EXPRESS
NORTH—SOUTH
EAST—WEST**

AIR EXPRESS, the one complete, super-swift, nation-wide way to ship. Delivers day and night in the United States and Canada. Also to Honolulu, Latin-America and the Far East. Cost low. Prompt pick-up and delivery. For service or information, phone RAILWAY EXPRESS—AIR EXPRESS Division.

AIR EXPRESS
DIVISION
RAILWAY EXPRESS
AGENCY, INC.

TORONTO
MONTREAL
WINNIPEG
LONDON, Eng.

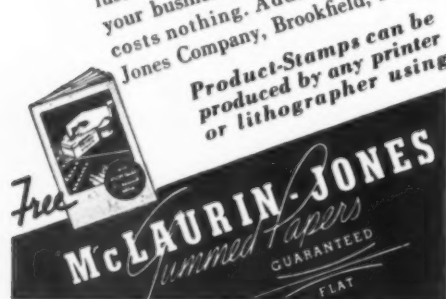
GIBBONS KNOWS CANADA

J. J. GIBBONS LIMITED • ADVERTISING AGENTS

REGINA
CALGARY
EDMONTON
VANCOUVER



And the Cost Is So Trifling, Too!
 ... "We put them on letters, bulletins, invoices. They shorten dictating and typing time. And how they brighten up even the dullest mimeographed notice!"
 Read all the remarkable facts about Product-Stamps in our interesting, illustrated booklet. It's full of ideas your business can use with profit. It costs nothing. Address McLaurin-Jones Company, Brookfield, Mass.



Copyright—1937—McLaurin-Jones Co.

TRIED THEM ALL BOOK-CADILLAC WINS is verdict of Michigan mining man

"I've tried all the better Detroit hotels—but my mind's made up now, and it's the Book-Cadillac for life for me," writes this mining executive. So comfortable, so convenient! And cheerful service that makes you feel right at home.



BOOK-CADILLAC FEATURES

- Cheerful, modern rooms
- Casino
- Cafe Cadillac
- Coffee Shop
- New "Esquire" Room
- Motor Bar Cafe
- Famous Food
- Room Rates from \$3.

BOOK-CADILLAC

DETROIT
 W. O. SEELBACH, Manager
 W. J. CHITTENDEN, Jr., Resident Manager
 1200 rooms.....minimum rate \$3
 National Hotel Management Co., Inc.
 Ralph Hitz, President

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T i p s



Booklets reviewed below are free unless otherwise specified, and available either through this office or direct from the publishers. In addressing this office please use a separate letterhead for each booklet requested, to facilitate handling. The address is SALES MANAGEMENT Readers' Service Bureau, 420 Lexington Avenue, New York, N. Y.

Student Radio Programs Suggest Better Commercials

A radio promotion piece of a somewhat different stripe has recently been published by Station WCCO (Minneapolis-St. Paul) and should be of interest to radio advertisers who are thinking ahead in their plans for better use of the air waves. Titled "Here Is WCCO," a somewhat more apt title might be "High School Students on the Air." It is a full description of a series of 23 radio sketches dramatizing safety on the highways. With a view toward enlisting the young folks in the area, and through them the adult population, in reducing highway accidents, a series of playlets based on actual crashes was produced. The case histories of 23 "Sudden Deaths" became a class assignment for the students of creative writing. Aid in the technique of script writing and radio dramatic expression was offered by the station, and used in the high schools participating. That interest in the series was high scarcely needs mention. WCCO offered the series as a new project in education, as a dynamic force for community service. The moral for advertisers is plain, even though the exact procedure is not easily arrived at. Copies of the booklet will be sent on request to E. H. Gammons, Station WCCO, Nicollet Hotel, Minneapolis, Minn.

Southern Retail Sales Concentrated in Rural Areas

From the 1935 Census of Business there has come very recently an analysis of retail sales which cannot help but be extremely valuable to every manufacturer selling in the 14 southern states. We refer to "The South—a Six Billion Dollar Retail Market," published by the Progressive Farmer-Ruralist Co., without a word of promotion for Progressive Farmer and Southern Ruralist. It is a sincere attempt to visualize the distribution of retail sales by size of towns; and, emphasizing the predominantly rural character of the southern states, it dramatizes some sharp contrasts between this region and the remainder of the country.

In the 34 states outside the South, cities of more than 500,000 population produce practically one-third of all retail sales. In the southern states where there are no 500,000 cities, 47.3% of retail sales are produced in places under 10,000 population. As a further refinement of this fact, which is one of many presented graphically in a breakdown of retail sales by population groups, the proportion of sales from places under 2,500 in the South closely approximates that in cities of 500,000 elsewhere—

Send for This Useful Report!

MORE than 500 sales executives attended the special two-day conference in Chicago, in June, to hear speakers of national importance discuss "New Challenges to Selling." These talks were recorded and are now available to non-members unable to attend conference.

100 page report of the
Proceedings of

The National Federation of Sales Executives

This report includes the
following talks

"Looking Ahead with Selling" Dr. Alfred P. Haake, managing director, National Association of Furniture Manufacturers.

"New Frontiers of Selling" Bennett Chapple, vice-president, American Rolling Mill Co.

"New Faces in the Sales Picture" Col. T. Russ Hill, president, Rexair, Inc.

"The Government and Selling" Judge Ewin Lamar Davis, member, Federal Trade Commission.

"Trends and Opportunities in Merchandising" Harry Boyd Brown, national merchandising manager, Philco Radio & Television Corporation.

"Trends and Opportunities in Advertising" Arthur H. Little, associate editor, *Printers' Ink*.

"The New Position of Business As It Affects Marketing" William Whitfield Woods, president, Institute of American Meat Packers.

"The Future for Private Enterprise in America" Dr. Glenn Frank.

"Current Facts Needed in Sales Planning" Dr. N. H. Engle, asst. director, Bureau of Foreign and Domestic Commerce.

"Organizing for Better Sales Results" K. N. Merritt, general sales manager, Railway Express Agency, Inc.

"Developing Teamwork and Enthusiasm in Salesmen" W. V. Ballew, general sales manager, Dr. Pepper Company.

"Getting the Most Out of the Sales Organization" David Hearsh, vice-president, Berkowitz Envelope Co.

"Concrete Roads to Better Sales Results" Carl Wollner, president, Panther Oil & Grease Mfg. Co.

Available to Non-Members
at \$2.00

Executive members of the Federation, and members of local Sales Managers Associations affiliated with the National Federation will automatically receive the report without charge.

E. F. ANDERSON, Secretary
NATIONAL FEDERATION OF SALES EXECUTIVES
1101 Commerce Street, Dallas, Texas.

For the attached \$2.00 please send me the report of the Chicago conference and information regarding executive membership in the National Federation of Sales Executives.

Name

City

State

(Please Attach Business Card)

SALES MANAGEMENT

30.6% to 28.3% to be exact. This analysis of all retail sales is further extended by graphs showing percentage of retail sales in towns of under 2,500 population, and under 10,000 population, contrasted with the rest of the states, for all retail sales, and for food stores, drug stores, filling stations, automotive outlets, lumber-building-hardware, and furniture-household-radio stores. A summary gives sales by kinds of business and by city-size groups, with outlets, for the South, for the other states, and for all 48 states.

Following are similar graphs and summaries for each of the business groups indicated above, giving in addition a detailed analysis of sales by states. Percentages of sales made in the less-than-10,000 group are as follows: Food, 49.7%; drug, 44.2%; filling stations, 60.0%; automotive, 45.8%; lumber-building-hardware, 56.9%; furniture-household-radio, 28.4%.

No attempt is made to show farm revenue, in which, of course, *Progressive Farmer* is interested, but the influence of farmer buying is clearly indicated by the high proportion of sales in the places of less than 10,000 and 2,500 population.

Send requests for this analysis to Fowler Dugger, Progressive Farmer-Ruralist Co., 250 Park Ave., New York City.

Look! Here's News for You

Is it news to you—and you—and you that a certain fortnightly magazine, having shown precocious circulation activity, is about to open its pages to advertisers? And that some prodigious juggling of magazine schedules will shortly ensue? To make the step as easy as possible for said advertisers, some extremely palatable circulation facts have been compiled, cartooned, and bound into a small wire-bound booklet "*It's News to Me.*" Not to tip their hands, we mention just one of *Look's* stoppers: "Is it news to you that *Look* is the fastest selling magazine on American newsstands today?" For further details, send for the booklet, addressing A. H. Burtis, *Look Magazine*, Des Moines, Iowa.

Metropolitan Studies Cash Budget Plans of 45 Concerns

Recent developments have tended to focus attention on the management of cash resources in business. Many executives, faced with the problem of paying out a higher portion of profits either in dividends, taxes, or both, have gained a new appreciation of the value of the cash budget. The special timeliness of this subject led the Policyholders Service Bureau of the Metropolitan Life Insurance Co. to conduct a

survey of the practices followed by 45 companies in budgeting their cash requirements. The results of the investigation have been published in a report entitled, "*The Cash Budget.*"

The survey disclosed that there is not necessarily any difference in the forecasting procedure by large and small companies. However, the size of the concern often affects the degree of elaboration considered necessary in the cash budget. Examples of procedure are given for both large and small companies.

The report is freely illustrated with budget forms and records in current use. Readers interested in this subject may obtain copies of "*The Cash Budget*" from the Policyholders Service Bureau, Metropolitan Life Insurance Co., 1 Madison Avenue, New York City.

A Market of 8,000,000 Women

In simple portfolio form, a highly interesting assortment of market analysis, circulation comparison, testimonials and sample (the magazine itself) has recently come to this point of observation from the Simplicity Pattern Co. It describes the why and wherefore of the largest single magazine circulation in the U. S., namely, *Simplicity Fashion Forecast*, the monthly magazine distributed free to more than 8,000,000 women from the counters of some 10,000 department stores which sell Simplicity patterns. Designed to sell patterns—and actually selling over 50% of all patterns sold in the country—the magazine is also doing a job for advertisers using its pages. Interested? Send to Fred G. Nelson, *Simplicity Fashion Forecast*, 419 Fourth Avenue, New York City.

Seattle Trade Statistics

A recent general market booklet of great value to companies operating in, or considering, the Seattle, and Washington, area has recently been issued—the "*Port of*

Seattle Year Book, 1937." It is a 112-page book, pictorial and factual, with all manner of trade statistics for the year 1936. Published by the Port of Seattle Commission, inquiries for the book should be sent direct to H. D. Fadden, Port of Seattle, Washington.

1937 Southern Blue Book Out

The 1937 edition of the "*Blue Book of Southern Progress*," published annually by *Manufacturers Record*, is now available. For any organization distributing in the southern states this economic survey should be a "must." In addition to sections dealing with principal southern industries—manufacturing, textiles, forest resources, paper making and its rapid expansion in the South, mineral production, agriculture, construction, power, railroads, aviation, banking and insurance—the study concludes with an economic summary for the United States comparing land, population and industry, in detail for the United States (1900, 1910, 1935, 1936). Identical comparisons are shown for the South, as a whole and by states. Requests should be sent to *Manufacturers Record Publishing Co.*, Baltimore, Md.

Fine Points

Interested in the Dallas market? Better get on the mailing list of the *Review of Business Conditions* in Dallas and the Dallas trade area, published monthly by the *Dallas Morning News* and associated companies. Sent without charge on request to H. D. Guy, *Dallas News*, Dallas, Texas.

The World Economic Review, 1936, for the United States, has been published and is available (price 15 cents) through the Superintendent of Documents, Government Printing Office, Washington, D. C. Presents a review of economic developments and progress in the U. S. during 1936, and includes a table of comparative business statistics for the years 1929 to 1936.

Personal Service and Supplies

Cash Basis Only. Remittance Must Accompany Order.

Classified Rates: 50c a line of seven words, minimum \$3.00. No display.

EXECUTIVES WANTED

SALARIED POSITIONS, \$2,500 to \$26,000. This thoroughly organized advertising service of 27 years' recognized standing and reputation carries on preliminary negotiations for positions of the caliber indicated through a procedure individualized to each client's personal requirements. Several weeks are required to negotiate and each individual must finance for moderate cost of his own campaign. Retaining fee protected by a refund provision as stipulated in our agreement. Identity is covered and, if employed, present position protected. If you have actually earned over \$2,500, send only name and address for details. R. W. BIXBY, Inc., 118 Delward Bldg., Buffalo, N. Y.

PHOTO OFFSET

PLANOGRAPH Offset Users; Set display type like printer—in composing stick—with **FOTOTYPE** cardboard letters. Save composition on paste-ups. Write for folder. **Fototype**, 625 West Washington, Chicago.

POSITION WANTED

WHAT ABOUT CANADA? Do you need representation in Canada? Advertiser, whose experience qualifies him for position of Sales or Branch Manager, is located in center of Canada's industrial section; nineteen years' selling and sales supervising; Hardware Specialties.

POSITION WANTED (Cont.)

Metals, Wire Products, Machinery and Supplies, Engineering Equipment, etc. British and Continental importing experience. Age 37. His practical work as salesman and in sales management is supported by intensive study of sales management principles and markets. Thorough grounding in marketing problems. Interview requested, without obligation to you. Box 546, **SALES MANAGEMENT**, 420 Lexington Ave., New York, N. Y.

A MAN, AGE 35, VERSATILE, GOOD EDUCATION and practical experience in sales management, organizing, general management, advertising, sales promotion and sales training, desires a new connection. A permanent place he can build into and stay with. The job he is seeking can be large or small but should need an unusually analytical mind, aggressiveness, diplomacy, ability to organize and build morale, ability to follow through on intelligent plans and programs and show a profit. Box 547, **SALES MANAGEMENT**, 420 Lexington Ave., New York, N. Y.

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OUR STRICTLY CONFIDENTIAL AND PERSONAL method conducts negotiations for high-grade positions. Each case prepared and executed separately. Employment and identity protected. Moderate cost. If you have earned over \$2,400 yr. write Dept. G, Craig & Gravatt, Schaff Bldg., Philadelphia, Pa.

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COMMERCE PHOTO-PRINT CORPORATION

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SALES CONTESTS

Planning and Merchandising

Sample copy of our Merchandise Prize Catalog, and brochure, "Information on Sales Contest Operation," furnished to sales and advertising executives without charge.

SALES CONTESTS, INC.

10th Floor American Bldg., Dayton, O.

C O M M E N T

BY RAY BILL



LABOR AND THE SALES PICTURE: Within the fortnight we have had an opportunity to confer with important factors concerned with the modern problems of industrial relations. These interviews included John L. Lewis, of CIO; John Frey, head of the Metal Trades Division of AFL; Lewis Hines, director of organization for AFL; Dr. Isador Lubin, head of the Bureau of Labor Statistics; Edward F. McGrady, Assistant Secretary of Commerce, and a number of the Senators and Congressmen most active on labor legislation. To stir up what was learned from them and then to develop perspective on the labor situation as a whole is no small task. But one point stands out clearly, namely, that many of the current problems affecting industrial relations are tied-up in an important degree with the future of selling.

When competition becomes keen in any industry price competition of one sort or another comes to the fore. One of the first manifestations is premised upon what can be broadly described as profitless selling.

Keen price competition also manifests itself in the guise of what is commonly referred to as "loss leader" selling.

The third method of beating price competition lies in the vendor seeking to obtain unusual price concessions in the form of special discounts, rebates, allowances, etc.

The fourth method of meeting or bettering price competition lies in purchasing merchandise from those sources which are able to manufacture more cheaply because of extremely low labor costs.

We say current labor problems have much to do with the sales side of business. Let's see how truly this is the case. When manufacturers or retail merchants engage in profitless selling, what happens? When they make use of "loss leaders," what happens? When they operate under unjustified discounts, what happens? When they favor products made under subnormal wages, what happens? In every case, an immediate threat arises for wage scales in the rest of a given industry or even in the whole industry of a community. In every case, serious inroads on the American profit system are made. In every case, temporary and often continued unemployment occurs . . . often with serious complication because of the relative immobility of unemployed workmen. In every case, if competition decides to meet this sort of fire with the same kind of fire, the seeds of a major depression are shown.

So what? In the past, Labor has been in a position to do very little about the kind of price competition which works the greatest hardships on Labor. In the past, business leaders and government have done relatively little to arrest or avert the effects of destructive price competition. In the past, most of the investors in business enterprises, big and small, have been powerless to do much. But all this time, for a period of more than ten years, the handwriting has been on the wall. Recent developments have merely emphasized the fact that real social security and real tempering of depression cycles can only grow out of great cooperative movements to drive price chisellers out of business instead of allowing them to drive millions of workers out of jobs.

We now have the Robinson-Patman Act and the Fair Trade laws in a large majority of our states, which seek to strike directly at the most dangerous aspects of profitless selling, of excessive discounts, and of "loss leaders." It may take years to perfect such laws so they will legally and actually accomplish their purported objectives. But at least they are early steps in a direction which is inevitable if our national economy is to be stabilized.

It may be that the first labor standards bill to be passed at this or a later Congressional session will not be perfect. But the establishment of some kind of minimum wages and some sort of maximum hours is a needed first step in the direction of driving price chisellers out of business.

Up to this time the consuming public has been largely left out of the picture. Most consumers think it is perfectly all right and proper for them to buy goods of whatever kind at the lowest prices such goods are available. They are proceeding under a wholly selfish psychology because they have not been educated by business, by government or by Labor to realize that there is a very important distinction between prices which destroy and prices which preserve our national economy and our profit system with its proved advantages over all other social-economic systems. Hence, the increasing need for cooperative educational programs directed to the consuming public—cooperative programs which are aided and abetted by the higher type of American employer and the higher type of American labor leader. Moreover, in the study of such problems and in the development of such programs, the sales executives of the nation sooner or later must play an important part.



—“and then John and Mary reached the ‘AGE OF ACCUMULATION’”



During this 10-year period from 25 to 35, people buy more goods than at any other time of life

THE story of how John and Mary grow up, get married and grow old together may be the great American romance to the novelist, but it is strictly *business* to the American advertiser.

Pick out the Johns and Marys now between 25 and 35. They are in the heavy-buying age, as surely as high-school kids are in the puppy-love stage or old-timers are to be found rocking in the chimney corners.

At about 25, incomes have started up, homes are under way and real buying begins. After about 35, many of the things the typical family wants

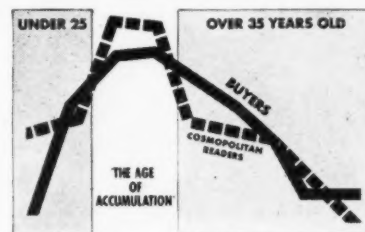
have already been achieved.

Ask *yourself* when you bought your first car, your radio set, your floor coverings, your house furnishings. There are exceptions, but not many. Having checked over 100,000 purchases, COSMOPOLITAN knows that buying peaks in the early middle years.

Cosmopolitan, of all the large national magazines, most nearly parallels this great market for goods.

There is no finer advertising medium for reaching and appealing to people between 25 and 35 in the “Age of Accumulation.”

MORE BUYERS AND MORE COSMOPOLITAN READERS IN THE “AGE OF ACCUMULATION”



COMPOSITE CHART OF COMMODITY BUYERS

35.2% represents the average of all radios, new cars, vacuum cleaners, floor coverings, refrigerators, ranges, washing machines and homes purchased by people between 25 and 35. Note how closely Cosmopolitan's readers parallel this group in the “Age of Accumulation.”

(Figures from surveys by Market Research Corp. of America, a leading automobile finance company, the Starch magazine studies. Data on these and other purchases on request.)



36.2% OF COSMOPOLITAN'S ALERT, UP-TO-THE-MINUTE AUDIENCE IS CONCENTRATED BETWEEN 25 AND 35 IN THE “AGE OF ACCUMULATION.”

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Cosmopolitan

IT PEAKS HIGHEST IN THE “AGE OF ACCUMULATION”



**Your advertising may look fine
in the proof but only readers
make an advertisement**

You can circulate your story to the whole wide world but it will work best when it reaches readers whom your dealers can sell.

Product selling today is primarily retailing—selling to thousands of individual consumers in localized markets.

To help your dealers sell more, why not do your promotion where they do theirs—in the newspaper—the mainstay of retailers?

Newspaper advertising fits a localized market. It reaches every possible prospect for the dealer because everybody reads the newspaper. It influences the purchase of more advertised goods than any other form of sales promotion.

Localized advertising in Chicago—a good market for sales—works hardest for you and your Chicago dealers when it appears in the Chicago Tribune.

Through the Tribune alone you can reach practically as many metropolitan Chicago families as can be reached through any two other Chicago newspapers combined. Only the Tribune has majority coverage of all the families in the city and suburbs.

Because all buying classes—regardless of age, income or social status—want the Tribune more than they do any other Chicago newspaper, it prints more advertising and sells more merchandise than any other Chicago newspaper.

Tribune readers comprise the largest newspaper audience in the Central States. No manufacturer has yet saturated this market's buying capacity. Its potential continues to offer fresh and expanding opportunity for aggressive selling effort.

The cost of developing increased volume in this market through localized Tribune advertising is low. Per hundred thousand circulation, Tribune rates are among the lowest of all publications. Per sales return, they are the lowest in Chicago.

CHICAGO TRIBUNE
THE WORLD'S GREATEST NEWSPAPER

Tribune Tower, Chicago
5-167 General Motors Bldg., Detroit
220 E. 42nd St., New York
820 Kohl Bldg., San Francisco

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THE SALESMANAGER'S MEDIUM